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# Latin America Report

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3 February 1984

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## UEKI PROJECTS PETROLEUM PRODUCTION AT 460,000 B/D IN 1984

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 21 Dec 83 p 25

[Text] Petrobras president Shigeaki Ueki yesterday announced that the average petroleum production for 1984 will be 460,000 b/d, close to 40 percent more than the average this year, which should be close to 340,000 b/d, foreseeing an increase of 3 to 4 percent in the national consumption of petroleum and an additional savings of \$1.2 billion in currency.

According to Ueki, this level of daily production can be reached quickly, since during the month of December Petrobras is working at a production capacity of 430,000 b/d. In this way, the production goal of 500,000 b/d can be reached by late 1984.

The president of Petrobras made these statements during an end of the year luncheon held for the press and company management. He noted that the Brazilian reserves of hydro-carbons grew to 480,000 b/d for the period of January to November 1983.

## Self Sufficiency

Ueki commented on the Minister of Mines and Energy Cesar Cals' statements regarding Brazil's energy self-sufficiency by 1993, saying that "in petroleum, technically we have a horizon of 3 years." He added, however, that when he was minister of Mines and Energy, in 1975, he made a projection with various hypothesis through 1984, and "one of those hypothesis corresponds exactly to what we will get in the next year." He added that "it is true that the third hypothesis, of 750,000 b/d for 1984 was exaggerated."

Ueki also revealed that he will travel to Brasilia today to meet with his financial manager, Paulo Belloti, to discuss the final figures for the 1984 budget, "on which the petroleum production goals depend." The budget proposal will be around 2.6 trillion cruzeiros, which in real terms, represents a budget of about the same as the 1983 budget, due to the inflation rate set at 75 percent by the President's Planning Office for the period of January to December 1984. This will represent an average inflation of 137 percent compared to this year's average. "The difficulty," said Ueki, "is that we have various expansion indicators which present different values: the monetary correction index, just under 150 percent; the exchange correction

index, at 270 percent; and the National Consumer Price index, at 150 percent. Which of these represents the reality; which of these can be translated to a constant currency?"

#### Monopoly Maintained

Ueki also commented on statements contained in the World Bank report questioning the state monopoly of petroleum and hydro-carbons of all types. He said "the monopoly can only be broken by decision of the National Congress, and I do not think that the Congress is willing to do this. If it weren't for the state petroleum monopoly, we would have much more serious problems today in view of the financial crisis we are going through, as well as during the previous crisis with the Middle East production zones."

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CSO: 3342/42

## CONSTRUCTION OF GAS PIPELINE FROM JURUA TO SAO PAULO PROPOSED

Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Dec 83 p 18

[Excerpt] In his latest dispatch with President Figueiredo, Minister of Mines and Energy, Cesar Cals, presented a proposal for the construction of a gas pipeline from Alto Jurua, in the state of Amazonia, to Sao Paulo. The project would be financed by a group of national and foreign companies, and the costs would be paid, during a determined period, "charging a fee for the transportation of the gas."

During a luncheon with the press, the minister explained that the gas reserves of Jurua are more than 120 billion cubic meters, justifying the construction of a pipeline between the state of Amazonia and Sao Paulo. The pipeline would be approximately 3,500 kilometers long, and the cost, estimated by Petrobras, would be between \$3 and 5 billion.

## Jurua Reserves

Mauricio Dauzacker, Petrobras exploration superintendent, and Silvio Massa, an advisor from the planning department of Petrobras, explained the natural gas reserves of Jurua in detail at the Engineering Club. According to Dauzacker, there is a recoverable volume of 7.148 billion cubic meters, in addition to a volume "to be appropriated" in already discovered gas fields of 26.349 billion cubic meters in addition to reserves "to be discovered" of 88.966 billion cubic meters, giving a total of 122.463 billion cubic meters (equivalent to 770 million barrels of petroleum).

But in order to reach the 122 billion cubic meters of reserves, it will be necessary to drill 5 wells by 1986 (at a cost of \$60 million), and to carry out seismic surveys over a large area (with an estimated cost of \$23 million).

Silvio Massa defended maintaining the petroleum and natural gas monopoly, arguing that any change in the law would have to pass through the National Security Council and the National Congress.

During the luncheon with the press, Cesar Cals also said that the government is studying a system for national gas distribution through the use of 3 different types of companies: private companies, state companies, and a

state gas holding company. He said a gas holding company would be created as a subsidiary of Petrobras, having control of binding company decisions (the control of capital would be the responsibility of the holding company).

The minister also explained that the holding company would be created as soon as discussions between the State Gas Company and Petrobras on the distribution of the natural gas from Campos is concluded.

"The holding company will be established as soon as the people here in Rio understand one another," said the minister, explaining that he was referring to the 2 companies involved.

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## CALS VIEWS ENERGY CONSERVATION PROGRAM, 1984 GOALS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Dec 83 p 34

[Excerpt] Brazilian minister of Mines and Energy, Cesar Cals, said Tuesday night at a news conference that the Brazilian energy conservation program is, surely, the biggest in the world and that it generated savings of \$7.8 billion over 4 years, something no other program has done in such a short time throughout the world.

Cals expects that the amount of imported energy contributing to the national balance of energy will continue to fall. This year, oil imports will stay below the budgeted goal of \$6.5 billion. By the end of December, national oil production will reach 430,000 b/d, thus guaranteeing 45 percent of the total national consumption.

The goal for 1984 is to produce 500,000 b/d, which will be added to the 500,000 b/d of natural gas, alcohol, coal and electrothermal energy, thus limiting imports to 500,000 b/d. Energy self sufficiency for Brazil will be reached in 1993.

Cals said that projects will be carried out next year to take economic advantage of natural gas in Jurua and in the Camocim and Paracura regions of Ceara. Camocim is currently burning 600 million meters of natural gas per day, and Cals expects to join companies that construct pipelines, platforms and power plants, such as Sindigas, into a consortium to finance the project. They would receive payment through the pre-sale of LPG. This would involve sums of about \$50 million. This formula could also be applied to take advantage of the uranium reserves of Itataia in Ceara and Lagos Real in Bahia.

Cals said the mineral sector is very dynamic and should grow by 15 percent during the next year. He cited the example of gold production, which in 1979 was 5 tons, and this year should reach 50 tons, all due to expansion. The Ministry of Mines and Energy received 342 proposals from 65 business groups interested in gold exploration in 30 blocks of land allocated in the states of Rondonia, Para, Maranhao, Pernambuco, Sao Paulo and Santa Catarina.

Other growing areas are aluminum, which is being exported, copper and fertilizer production. Brazil is self-sufficient in nitrates and phosphates, will begin to produce potassium in 1984 through Petromisa in Sergipe, and is exploiting sulphur reserves. In addition to this, the Carajas project is developing in 2 stages, which will signify more medium-term exports.

## OIL DERIVATIVES USE DROPS 5.8 PERCENT FROM 1982

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Dec 83 p 33

[Text] The national consumption of oil derivatives for the period of January to November 1983 was 963,300 b/d, a decrease of 5.8 percent from the same period last year. The consumption of alcohol, however, increased 38.9 percent (76.2 percent for hydrated alcohol and 8.5 percent for anidro alcohol).

Between January and November 1983, the national production of oil reached an average of 332,200 b/d, increasing 25.5 percent over the same period last year. There was a 16.7 percent decrease in the need for imported oil, which averaged 631,100 b/d for the above-mentioned period. This savings of 126,500 b/d compared with the same period for 1982 represented a savings of over \$1.2 billion.

The consumption of energy derivatives decreased 7.9 percent from January to November 1983. Diesel fuel remained practically the same (0.9 percent), at 320,200 b/d. Gasoline fell 16.7 percent to 150,400 b/d and fuel oil decreased 17.4 percent, reaching 189,300 b/d. The only oil derivative showing an increase in consumption was liquefied petroleum gas (LPG), with 6.6 percent, reaching a consumption rate of 104,100 b/d.

Non-energy derivatives registered a consumption increase of 14.3 percent overall, with petrochemical naphtha increasing 33.4 percent for the period, consuming 111,000 b/d. Asphalts decreased 32.7 percent, to 11,500 b/d, and the other non-energy derivatives, as a whole, maintained apparent stability.

Anidro alcohol was mixed with gasoline at a rate of 19.8 percent during 1983, compared with a 16 percent rate during 1982.

APPARENT CONSUMPTION OF OIL DERIVATIVES

	1982 (Thousands of barrels)	1983	Variation (percent)
-Energy Derivatives	893.6	823.1	- 7.9
Diesel fuel	322.8	320.2	- 0.9
Fuel oil	229.3	189.3	-17.4
Gasoline	180.5	150.4	-16.7
LPG	97.7	104.1	+ 6.6
Others	63.3	59.1	---
-Non-energy Derivatives	138.9	158.7	+14.3
Naphtha & petrochemical gasoline	83.2	111.0	+33.4
Asphalts	17.1	11.5	-32.7
Others	38.6	36.2	---
-Petrochemical effluents	(-10.1)	(-18.5)	+83.2
--TOTAL--	1,022.4	963.3	- 5.8
-Average National Production (b/d)	164.8	332.2	+25.5
-Needed imported oil (b/d)	757.6	631.1	-16.7
-Hydrated alcohol	28.1	49.5	+76.2
-Anidro alcohol	34.3	37.2	+ 8.5
--TOTAL--	62.4	86.7	+38.9

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## GRENADA OPERATION SPARKS FURTHER CARIBBEAN REACTION

Louison, Radix on Trinidad Stand

Port-of-Spain TRINIDAD GUARDIAN in English 14 Dec 83 p 23

[Text]

THE GOVERNMENT of Trinidad and Tobago has been praised by two former Ministers of the deposed People's Revolutionary Government (PRG) in Grenada for its "very courageous and principled" stand in refusing to support the military invasion of Grenada during the October political crisis.

Mr. George Louison (Agriculture) and Mr. Kendrick Radix (Attorney General) were speaking to newsmen at a Press briefing in Port-of-Spain.

They also claimed that there is widespread unemployment in the island as a result of the "attack and dismantling" of several projects mounted by the PRG which was headed by Prime Minister Maurice Bishop, who was killed on October 19 in the height of the crisis.

The ex-Ministers, who said they were still contemplating their political future, came to Trinidad to attend a memorial service for Mr. Bishop. They said their country was being "occupied" by the multi-national forces headed by the Americans.

Mr. Michael Als, President General of Bank and General Workers Union, who went to Grenada to mediate in the crisis, was also roundly criticised for his role.

## SANCTIONS

Mr. Louison said this country's refusal to support the use of force

(as a first resort) was in keeping with the traditions of the Caribbean national pride.

He claimed that economic sanctions imposed by Caribbean countries, including Trinidad and Tobago, would have caused the economic collapse of the country.

"Military force is not always the medium to settle political difficulties, no matter how unpleasant they may be," he said.

Mr. Louison explained that programmes like the construction of the new airport, (which employed 600 persons directly and indirectly), the low cost house repair scheme and an education project aimed at wiping out illiteracy were put in cold storage and the interim administration was saying nothing about them.

Approximately 3,000 persons were out of jobs and that figure would go up because of the lack of avenues for employment.

Mr. Radix said international financial institutions like the International Monetary Fund had praised the

economic strides made by the country under the PRG so no one should accuse the PRG of cooking up figures.

On the role of the NJM, they said they would have to meet the people to find out what they wanted.

#### FROM MARS

Questioned as to if they knew to what extent the Grenadians were in favour of the armed intervention, Mr. Louison said that because of the traumatic experiences, especially with the killing of Mr. Bishop, "Grenadians would have welcomed help from anybody even if they came from Mars, because it was a very emotional situation."

He said that the people were now concerned with restoring the country back to a normal state as what existed during the years of the revolution.

After admitting that the revolution suffered a great reversal

as a result of the events, Mr Radix, was asked for their response to the mediation role of Mr. Als.

Mr. Radix: "We have seen several reports about Michael Als's role and we will say he failed to fully inform himself about the criminal intentions of those bed-fellows with whom he consorted."

"Michael still continues to support all the elements who have committed the greatest criminal act which Grenada has known — betrayal."

Both men, who were imprisoned by the Military Revolutionary Council which seized control of the island after Mr. Bishop was murdered, also had words of caution for the island's Governor-General Sir Paul Scoon.

They said he was now cast in a political role and this would compromise his position of impartiality. They advised him to tread cautiously.

#### Lamming Blast at U.S.

Bridgetown THE NATION in English 12 Dec 83 p 1

[Excerpt]

BARBADIAN poet and author, George Lamming said on Saturday in Trinidad that the American presence in Grenada is "a new form of colonial supplication."

Lamming's response to the United States intervention was delivered during his eulogy to the late Maurice Bishop, slain leader of the People's Revolutionary Government of Grenada.

Speaking at a memorial service in San Fernando's Trinity Cathedral, Lamming said: "The

United States has a long history of arbitrary intervention."

He praised the stand taken by Trinidad and Tobago's Prime Minister, Mr. George Chambers, saying: "It is my view that the late Prime Minister Eric Williams would have taken the same principled stance."

Among the mourners at the ecumenical memorial service were Mrs. Alimenta Bishop, mother of the late Prime Minister, his sister, Ann, and Kenrick Radix, who had been a close friend and associate.

The two-hour service was attended by Trinidad and Tobago's Minister of National Security, Mr. John Donaldson, and opposition parliamentarian, Dr. Emanuel Hosein.

## Rally of Regional Students

Georgetown GUYANA CHRONICLE in English 2 Dec 83 pp 1, 5

[Text]

**REPRESENTATIVES** of several students organisations in the Caribbean and Latin America yesterday launched a blistering attack on United States imperialism for last month's invasion of the tiny "Spice Island" of Grenada.

During a joint solidarity rally in support of the struggling peoples of the region, the representatives denounced the invasion as a flagrant violation of the principles of international law and called for the immediate withdrawal of all foreign troops from the island.

The rally was held at the Turkeyen Campus of the University of Guyana and was addressed by Jorge Gonzalez, President of the Continental Organisation of Latin American Students (OCLA) Joy Len Berge of the Surinamese Students Union, Carmichael Khan of the Guild of Undergraduates of the University of the West Indies (St Augustine campus) and head of the Information Division of the

Guyana Ministry of Foreign Affairs, Wesley Kirton.

Messages expressing solidarity with the peoples of Cuba, Grenada, Nicaragua, El Salvador and elsewhere around the globe were read by President of the University of Guyana Students Society Cleveland Drepanl, Hyday Alli of the National Student Council of the Progressive Youth Organisation, Clinton Collymore of the Guyana Peace Council and Leroy Scotland of the Guyana Committee for Solidarity and Peace.

In a short address, Jorge Gonzalez noted that the Caribbean is today undergoing a crucial moment in which the United States seeks to create notbeds of tension through big stick and gunboat policies.

He referred to the onslaught in Grenada as a glaring example of this and contended that students in Latin America see the imperialist design as an attempt to dominate the people of the area.

The President of the Association called on the students to unite in the struggle against imperialism.

## Trinidad Press Conference

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 83 p 3

[Text]

### SAN FERNANDO:

MR RICHARD SMALL, president of the Jamaica Branch of the Association of Jurists, has spoken out about the attempts of the People's Revolutionary Government of Grenada to protect the "genuine human rights" of the people of that country.

Speaking at a Press conference held on Saturday at the Oilfields Workers' Trade Union in San Fernando, Mr Small said that there were areas in which the opponents of the Revolution had tried to make out that in fact there were fundamental violations of human rights.

He said there was not

a single person in custody that was detained and who died over the four year period. "And I challenge all of these governments who claimed that they came to power by legitimate means to beat that record."

### DECEIT

Mr Eusi Kwayana,

leader of the Working People's Association of Guyana, said that they shared the horror, condemnation of the step by step brutality which marked the process by which Brother (Maurice) Bishop and his five colleagues were destroyed physically.

"What we want to condemn most emphatically is the extent to which the so-called revolutionary military council went to deceive the region after the killings," he said.

He stated that "their fascist-like propaganda deceived many including some in our own ranks — the slanders against Maurice Bishop, the whole attempt to accuse him of suicide rather than admit that he had been assassinated reminded us very strikingly of the action of the Guyana regime following the assassination of Walter Rodney."

He said that the attempts after the killing of Bishop to blame him and his colleagues for their own deaths without having eye witnesses

"is something which we condemn out of hand."

#### REGIONAL EFFORT

Mr Kwayana emphasised that there should be a regional effort to unmask the guilty in whatever position they found themselves because if the attempt was not made to unmask those guilty and reveal them to the world, "I think that the Caribbean is accepting a cultural political brutality."

Others who spoke at the conference called by the OWTU were Mr Gus John and Mr Linton Quassie Johnson, and Mr Darcus Howe, all from London, who came to attend the Memorial Service and cultural show in memory of Mr Bishop and Mr. Walter Rodney of Guyana.

Mr George Weekes, President General of OWTU, said that the Grenada Revolution started by Mr Bishop was something which continued from the 1937 revolution at Fyzabad by the late Tubal Uriah Butler.

## BRIEFS

CARIBBEAN FOOD INSTITUTE--EFFORTS to strengthen ties between professionals working in the field of food science and technology in the region have resulted in the formation of the Caribbean Institute of Food Science and Technology (Car. IFST). The organisation was formed during the First Regional Conference on Food Science and Technology in the English-speaking Caribbean in July last. Members of the group are hoping to unite to form a chapter within each participating country that would lead to closer and more regular communication among them all. Among their main objectives are the fostering of inter-institutional co-operation throughout the various areas in the food chain, from production leading to marketing; to act as a permanent forum with which policy makers may interact on the topic of goods; to foster education, training, research and development of food science and technology throughout the Caribbean; to sensitise the Caribbean consumers at large of the need to produce wholesome and nutritious foods and to utilise the fullest extent the food resources of the Caribbean area. Professor G. M. Sammy has been elected President of the institute and Mr. S. W. Harnanan will serve as country representative for Trinidad and Tobago. Both are attached to the Food Science and Technology Unit, University of the West Indies. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 83 p 16]

MEXICAN, GUATEMALAN CONTRABAND DISCUSSED--Javier Garduno Perez, Mexico's director general of customs, held an important meeting with his Guatemalan counterpart in the city of Tapachula; also present were employees of the two countries' customs offices. They mainly exchanged experiences and discussed what measures they would take to prevent smuggling between the two countries. They stressed that smuggling was heaviest on Sundays and Mondays. To stop it they said that the activities of Mexican and Guatemalan customs officials would be coordinated. After the meeting the customs directors flew over the border area to get a first-hand idea of its geography so that they could instruct their closest colleagues as to the programs for enforcing the law and preventing tax evasion by smugglers. The above information was furnished by Mr Raul Garduno Aguilar, the commander in chief of the Southeast Customs Police, which is headquartered in this state capital. [Article by Ernesto B. Sarmiento C.] [Text] [Tuxtla Gutierrez LA VOZ DEL SURESTE in Spanish 1 Dec 83 p 2] 8743



## PERUVIAN POSITION ON LANDLOCKED BOLIVIA CONSIDERED

Santiago EL MERCURIO in Spanish 13 Dec 83 p A-3

[Editorial: "Peru and Bolivia's Landlocked Condition"]

[Text] The president of Peru, Fernando Belaunde Terry, who was in Buenos Aires attending ceremonies for the transfer of presidential leadership, told one of our daily correspondents at a press conference that his country views the landlocked position of Bolivia as a bilateral problem involving only that country and Chile.

And in reference to an initiative by Colombia proposing the renewal of diplomatic relations between Chile and Bolivia, he indicated that Peru, along with all of Latin America, would be pleased if it were to happen because it would be a bilateral action that would be welcomed by the entire continent.

Chilean public opinion should welcome such statements from the Peruvian president because they indicate respect for the principle of self-determination, which is severely restricted these days throughout the world.

Our country owes Bolivia nothing. Problems which at one time separated the two countries were resolved once and for all by the peace treaty of 1904 which ended a war resulting from treaty violations on the part of Bolivia.

Subsequent requests by the high-plateau country for a return to the sea have not been rejected by our country. To the contrary, the idea has previously met with favorable acceptance, and negotiations have been conducted which almost reached the point of agreement but which hit an insuperable obstacle because of demands by Peru for modifications in the agreement between Chile and Bolivia which our country could not accept because they violated our sovereign rights in the area.

It can be recalled that it involved granting Bolivia a corridor along the border with Peru joining Bolivian territory with the sea north of the Chilean port city of Arica.

Peruvian intervention was based on a provision in Article 1 of the accompanying documents of the 1929 Treaty of Lima which stipulates that Chile and Peru must

each obtain the consent of the other if either country should cede land it had received under the treaty to a third-party nation.

Therefore, although the transaction is bilateral, Peruvian intervention is possible if Chile agrees to give Bolivia a corridor through Arica Province. Such intervention does not require negotiations, only a declaration of consent or denial.

At any rate, Chilean public opinion appreciates the expression of good wishes from the Peruvian president regarding the renewal of diplomatic relations between Chile and Bolivia and his hope that the two countries reach an understanding with respect to Bolivian aspirations in acquiring an outlet to the Pacific Ocean through Chilean territory.

While it does involve, of course, a bilateral agreement, the Peruvian Government must put what might be called the finishing touch on making the Bolivian dream come true.

9787

CSO: 3348/153

## SOCIALIST PARTY EXTREMISTS ARRESTED ; WEAPONS RECOVERED

Santiago LA NACION in Spanish 13 Dec 83 p 28

[Text] Four Socialist Party extremists, responsible for a series of dynamite attacks in the capital, were arrested by civil police officers and turned over for criminal proceedings along with a large quantity of explosives and weapons used in committing the crimes.

The subversives were identified by their captors as Vladimir Sergio Barcelli del Villar, 31 years old; Ramon Alexis Moreira Barahona, 43; Jose Enrique Morales Lizana, 46; and Luis Enrique Lopez Mora, 36.

The four men, who reportedly had their center of operations in the Conchali commune, are responsible for several dynamite attacks reported last 6 September on the Toesca and Los Heroes city train stations.

They are also suspects in the attack against the Radio Aurora aerial located on San Cristobal Hill last 9 August in addition to an assault on a EL MERCURIO newspaper distribution center at 65 Almirante Pastenes Street on 21 August of this year.

Information provided by the Department of Public Information for the Investigations in Chile confirmed that Varcelli del Villar was the "ringleader" of the group and that his involvement in several other violent acts is being investigated.

The arrest of the men resulted in the recovery of more than 30 sticks of dynamite, three Browning 9 millimeter caliber pistols, a 38-caliber revolver, several caps for cold weather, a large number of miguelitos and equipment for manufacturing them, as well as an abundance of written materials relating to the Socialist Party.

Following the arrest, the four members of this cell were turned over to the provincial courts where the presiding judge ordered their imprisonment at the Center for Preventive Detention, formerly the public jail, while criminal proceedings against them are being considered.

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CS0: 3348/153

## BRIEFS

M-19 MEMBERS ACCEPT AMNESTY--Armenia, 2 Jan--Six former M-19 [19 April Movement] members from the Western Region have accepted amnesty from Mayor Cesar Augusto Mejia Urrea, with a journalist from the RCN radio network serving as a sponsor. The subversives' names are: Luis Hernando Arias Londono, Jose Gabriel Moreno, William Alvarez, Marco Fernando Belarcazar Moreno, Luz Mery Perez Gutierrez and John Jairo Moreno Hernandez. The amnestied guerrillas handed over propaganda materials, armbands, leaflets, as well as hoods and flags representative of the movement. By way of the media, they reiterated at the same time that they were not laying down their arms, but rather were accepting the amnesty, for which reason the arms will remain hidden. Up to now, 12 persons have sought refuge in the Amnesty Law in this region. [By Carlos Alberto Galvis] [Text] [Bogota EL TIEMPO in Spanish 4 Jan 84 p 2-A]

DIVISION WITHIN LEFTIST COALITION--The coalition planned by the left, with all sectors participating, in order to present consolidated lists for 11 March, failed yesterday, according to a communique issued by the directors of "Firmes" [not further identified]. According to the communique, it was not possible to modify the position of the communist party, which apparently wished to designate the other leftist groups as its appendages in the list of candidates for assemblies and councils. "The majority of the leftist organizations," the communique stated, "cannot appear to be appendages of the Colombian Communist Party, nor subordinate to its policies, and this attempt profoundly jeopardizes the fundamental plan for unity and autonomy aimed at building a socialist movement on a broad, democratic scale." The declaration issues a call to the armed rebels to join the fight for democracy, while pointing out that their nonparticipation in the electoral coalition with the communists does not signify a weakening of "our resolution to continue working for leftist unity throughout the country, without which national salvation is considered impossible." [Text] [Bogota EL TIEMPO in Spanish 5 Jan 84 p 6-A]

CSO: 3348/225

## ARMANDO HART ADDRESSES CHALLENGES OF CULTURAL ADVANCEMENT

Havana EL CAIMAN BARBUDO in Spanish Dec 83 pp 2-4, 26-27

[Excerpts] Speech delivered by Comrade Armando Hart Davalos, member of the party's Politburo and minister of culture, at the close of the Second Symposium on Traditional Popular Culture, held as part of the activities of the Sixth National Popular Art Fair. Sancti Spiritus, 18 September 1983, "Year of the 30th Anniversary of Moncada."

In considering the studies of the so-called traditional popular culture, which has prompted this meeting, we have devised some ideas associated with the semantic overtone involved in the definition "traditional popular."

We have chosen to speak of the direct, immediate creation by the masses in discussing what some experts call traditional popular culture, and I don't know exactly which definition is more accurate or more precise. But it is not a matter of nomenclature that we are concerned about defining, but rather the certain fact that nearly all expressions of art are, in their origins, linked with direct, immediate and more or less spontaneous creation by the popular masses.

Throughout history, the dynamics of social development have differentiated artistic expression, distinguishing the types and recognizing the individuality of certain creative talents, all associated with the economic structure and dialectics of the class struggle. Nevertheless, the popular masses have always continued to create in a spontaneous and often anonymous manner a music, a dance, arts and crafts and various other artistic manifestations which have become part of the best traditions of peoples and which certainly constitute a living source of creation and constant inspiration for great individual talents.

Insofar as we are concerned, as you know, the individual features of the historical formation of the Cuban nation led to a series of specific cultural qualities, expressed in social customs, festivals, local artistic preferences and other manifestations which have now come to typify the personality of Cuban towns, cities, zones and regions, and have distinguished the Cuban cultural idiosyncrasy, enhancing it. These specific territorial qualities, which of course do not change the basic unity of Cuban culture, are based on a complex relationship of social and economic factors closely linked with the course of our history.

The expressions of this direct creation by the people are probably the ones most immediately or at least most obviously associated with historical events. That is why it is fitting to be very mindful of the influence of the revolutionary process in this area; because, by making deepseated changes in the country's social structures, the revolution has also made a very specific change in the spontaneous direction of the manifestations of traditional popular culture. In particular, the revolution altered the very concept of its expressions, reclaiming them in the formulation of its cultural policy as a component of the socialist culture that we are attempting to create. There has been thereby produced a process that we might term dignification, and revaluation of popular culture. It is well known that, in the bourgeois societies, the ruling classes tend to ignore or underestimate many of these expressions, precisely because they have direct popular roots, and thus legitimate manifestations of the people's cultural activity are left relegated, misrepresented or downgraded.

Many of the effects of the revolution's changes and of socialism's increasing development on the elements of popular culture still remain to be studied. It is inevitable that certain popular traditions will disappear and others will change in quality as a result of these effects. We are referring in particular to those influenced by conditions marked by racial discrimination, exploitation and ignorance inherited from the previous society. These manifestations will disappear or, if they have a really artistic expression and a popular essence, will change their direction. Capitalism and, when pertinent, imperialism, by "popularizing" art by way of the market, upset the traditional popular culture and converted it into merchandise, turning folklore into a superficial spectacle and direct, immediate creation with popular roots into a bauble with little or no aesthetic value. In Cuba, that art with immediate popular roots has an enormous quantitative and qualitative force.

It is noted in the popular music, in the carnival creations and festivities typical of certain communities; in artistic crafts; in areas such as Sancti Spiritus Province, which achieved in the past and must maintain in the future a force marked by spiritual resources and formats capable of becoming, when their historical sources are recovered, artistically conceived models to influence the environmental design and decoration of our surroundings, with Cuban roots.

Socialist culture recovers and renews the best of man's creation throughout his history, and with its deepseated humanist essence, builds itself up from the popular and the national to the general and the universal. The popular and traditional nature of these cultural expressions speaks for itself regarding their relations with the masses and the latter's leading role; but it is necessary to distinguish between what the people have truly created and what has been imposed on them superficially as a result of the commercialism and colonial transfer of culture. For example, there are expressions of music and dance that are inseparable from Cuban culture; but there are, simultaneously, other expressions of that type which have come to acquire widespread popular appeal without ever having become integrated into our culture. Hence the need to delve into the concept of what is popular and understand that an

artistic trend or style is not always popular because of its wide appeal to the population. To think of it in this way is superficial and paternalistic, and we have no reason to encourage that practice.

For this reason, a distinction must be made in the term "popular" regarding what relates to or penetrates the essence of the people, and the content and aspirations of the Cuban society, differentiating this from "popular" signifying something the appeal for which has become widespread among the population, often in a temporary manner and on occasion prompted by advertising. When we speak of "traditional popular culture" we are referring to everything that reflects an essential content of the Cuban cultural personality. A proper definition of what is popular in culture has been given us by Bertold Brecht, himself, when he says, verbatim:

"Popular is what the great masses understand, what grasps and enhances their mode of expression; it is what incorporates and reaffirms their viewpoint; it is what is so representative of the most progressive part of their people, which can assume responsibility for leadership and also prove understandable to the people's other actors; it is what, based on tradition, carries the latter forward."

Hence, it is necessary to distinguish between the essence of traditional popular culture and mere vulgarization (to give it a name) of that culture. The limit must be set between what is artificially popular and what is genuinely popular. Comrades, that distinction must necessarily be taken into account in the policy of reevaluating and stimulating both local and national traditional popular culture which the Ministry of Culture has been undertaking, in the policy of the amateur movement and in all the cultural work with the masses. We cannot and must not confuse what is genuinely popular with expressions attempting to claim that they are such on a simplistic, superficial basis. In the same way that we oppose, on principle, paternalistic and elitists positions regarding art and culture, we also oppose populism, which is nothing but a hypertrophy of what is genuinely popular, resulting in a degeneration of the masses' taste.

There are two issues that should be analyzed on the basis of this matter: the quality of the artistic supply, which we shall discuss subsequently, and the cultural needs of the masses. Marxism-Leninism teaches us that, as part of the combined needs of man there is a social and individual requirement to meet certain artistic, cultural and spiritual demands. Along this line one may reach the conclusion that the expressions resulting from the direct, immediate creative act of the masses are often related to these aesthetic needs and demands that we have been discussing, that are part and parcel of human nature. Every art, if it is truly art, is part of this issue.

But what we want to reach, simplifying it, is the idea that the ways of satisfying, and the very social or individual consciousness of these needs depend on the degree of knowledge and, even more so, on the accumulation of culture in the historical memory of the society or the individual, in a certain socio-economic context. The demand for satisfaction of, and quality in the artistic

demand will depend on the level of the people's general culture. The people, who have now raised their cultural level, put forth a far higher demand of an artistic nature. The pressure for quality in art has not been brought to bear on us by an elitist demand from minority groups, but rather by a phenomenon of masses, such as the extension and expansion of Cuban education. We view the issue of quality from this standpoint, also as a matter of masses and as a problem for which mass solutions must be sought.

Focal points of cultural stimulation, with greater aesthetic requirements, must appear, and are appearing. We must encourage those focal points and propagate them as models, not to imitate, because anyone who imitates in art fails, but rather to continue the experiment and to create in art. The issue of quality must also be converted into a mass phenomenon, from the standpoint that it is the collective consciousness of its importance that pressures for a search for solutions to the countless problems that its attainment poses for us. Of course art with a high degree of aesthetic requirements, shown as an example, is a very powerful spur for the development of quality. But the creation of a collective consciousness regarding higher artistic requirements is also contingent on the mass phenomenon that we noted (that of widespread education) and on stimulation to intensify that collective consciousness of the need to seek a high quality art.

Moreover, to demonstrate that art with aesthetic requirements demands mass mechanisms and procedures. This is an important feature of the social dynamics of art, and it must be considered in the analysis of the combined factors that should determine the qualitative development of Cuban culture and art.

We wish to synthesize the notion that man has spiritual needs of which he may or may not be aware, and that the way of meeting them bears a relationship to his level of educational instruction and his general culture within a given socioeconomic context. Even running the risk of being absolute, we might say that the awareness of the need for art and the requirements for meeting it are proportionate to the general level of the population's culture. That is why the development of socialist culture entails as an essential, preliminary condition the raising of the masses' cultural level; and it is for this, among many other reasons, that the Cuban revolution has done and is doing everything possible to fulfill this requirement.

And we all know that the indicators of the efficiency and extent of Cuban education are among the highest in the world. We are at a time when we are not only a political and moral power, but in vital areas of social welfare, such as health and education, we have attained a level comparable to that of countries with high rates of material development. The aspiration to convert Cuba into a cultural and artistic power are contingent, among other factors, on the fact that we are undertaking vast projects for economic and social development, and we have risen to the very highest levels in the educational and moral realms.

These hypotheses call for qualitative changes in the population's aesthetic tastes and lead to an unprecedented expansion of artistic and cultural activity.



The new necessities posed by the use of free time, for example, by a population that is rapidly raising its level of education and that enjoys more liberties of all kinds, and hence more moral liberties (and which is breaking off from the values of the old morality, closely related to religious conservatism, the traditional family system and fear of the state), afford a degree of moral liberty never before seen and necessitate considering culture and art as a factor of enormous social, moral and recreational importance, to gain a space, allowing for the increasing and necessary dissolution of old moral habits and concept. A great many concrete examples of this could be given, but it will suffice to recall that school discipline is very closely linked with the use of time out of school, which is free time for the youth. And we should stress that, for the rest of the public, which also wants to have its options for spare time expanded, an increase in the creative activity of art can play and is playing a leading role. But the quality of that art is related to the enrichment that we bring about in its natural source: immediate cultural creation with popular roots, or traditional popular culture, as you are in the habit of calling it. But, furthermore, the population's acceptance and enjoyment of that art will also bear a relationship to its aesthetic quality, and also to its bonds with popular culture, which definitively expresses the consciousness and identity of the Cuban. And if he expresses it, no one can fail to realize its political and ideological force at a time when the enemy is, precisely, attempting to misrepresent or discredit that identity.

Comrades:

Whereas, during the early days of the January victory, we had to learn to read quickly, now we must quickly meet the demands of those who already know how to read. Hence it is time to assume in their entirety the cultural consequences of the Cuban revolution's own social progress, on the path of forming socialist culture and morality.

The revolution is the most important cultural and moral event in our history. We might now reiterate Lenin's comment to Clara Zetkin, when he said:

"The most important thing for the cultural revolution from the time of the seizure of power by the proletariat already exists: it is the awakening, the tendency of the masses toward culture."

As we have emphasized, in the very short historical period of a little over 2 decades, the cultural composition of the Cuban population has changed, and its educational level has risen considerably. And a revolution, when it is a true process of social transformation, certainly represents an explosion and a genuine revolution in the culture of the popular masses. It has now placed us at the vortex of a cultural explosion, the goal of which is vast, because it is associated with the transformation of the social consciousness, the psychology, the habits, the customs, the tastes and the very life style of broad strata of the population. We are aware that this multifaceted process of transformations will be long and gradual, and that it will also result from the general progress of socialism.

The revolution's influence on culture is resulting increasingly in a heightening of the masses' aesthetic, social and political consciousness, and hence is broadening the horizon of our cultural identity, transcending a national view of culture and assuming an internationalist projection that is part of mankind's tendency toward development and the aspirations of the progressive world.

It is in this area that the issue of the quality of the cultural supply assumes major importance. We have been constantly reiterating the fact that the quality of the supply in each artistic manifestation is a key element in the people's integration with culture. We must ask ourselves how to meet the cultural demands of the masses and how to transform their aesthetic requirements at the same time, if not through an uninterrupted mass struggle for quality in the cultural supply.

'The Responsibilities of the Leader and Promoter of Culture Are Very Great in This Area, Because the Action and Initiative Are Incumbent on Them'

We realize that this is a very critical issue for the leaders and promoters of culture, and for the artists themselves; because it is they who play the most active role in this battle. It is true that the artist must be in the vanguard in the search and the personal aspiration to attain high aesthetic levels of expression and interpretation; because, after all, he produces art and is the one who can best contribute to a heightening of the aesthetic quality of the artistic supply. But the leadership cadres are also dutybound to address the problem of raising the quality in each and every one of the expressions of art and culture. The responsibilities of the leader and promoter of culture are very great in this area, because the constant action and initiative to achieve ways of bringing the people and art in close contact are incumbent on them.

The heightening of the quality of the artistic supply is one of the objective factors necessary to achieve a qualitative leap in the country's cultural and artistic development, both because of what it represents for true enjoyment of art and because of what it could represent for directing the population's aesthetic taste. It is obvious that a substantial rise in quality cannot take place in art and culture overnight; but there can be a demarcation of the surrounding factors that effect the development of quality: By influencing them, we shall influence the very process of developing artistic and cultural quality, and for the aforementioned reasons we shall also influence the moral aspects of social life.

In view of the quantitative progress in cultural services, we must consider what must be done to transform the quantity into an even higher qualitative increment. And in this regard three key issues must be analyzed:

First. As the resolutions from the party's First and Second Congresses stipulate, encouragement is to be given for a highly creative atmosphere in the country, based on the hypothesis of high regard and respect for artistic and literary talent as a decisive element, and for the most extensive liberty in forms of artistic expression as our Constitution stipulates.

Second. Constant improvement in the levels of art education and, as part of this, the training of cadres for cultural leadership and artistic leadership.

Third. Improvement of cultural research in various areas: research on the human potential for art and culture in each locality; on the sociocultural bases of artistic and cultural expressions; on the cultural assets of each region; and specifically, artistic research and experimentation.

Now we would like to comment on the importance of scientific thinking in the leadership or orientation of research work, both locally and nationally. Work involving art and culture is often viewed as far removed from the need for scientific thinking or orientation; nevertheless, scientific orientation of cultural research work, whatever its scale may be, is essential as a demand of socialism and also of modern society in general.

The effort and desire to take Cuban culture to the highest levels of aesthetic expression are deeply involved in the ideals of socialism in our country. Progress in culture cannot, therefore, be dissociated from the general plans and intentions for the society's development.

Therefore, the development of culture must be backed by a research method with a scientific basis, and must also be linked with scientific and technical progress.

In culture, space is occupied not only by the development of the arts and education, but also by that of science. We are a country that is struggling tooth and nail for progress, and progress must lead us to the universe of major changes and major problems relating to science and technology that are occurring in the present-day world. The second half of the century in which we are living has been marked by a thorough renovation in science and technology which has affected each and every one of the components of social life. Thanks to the scientific and technical revolution, science has become a direct productive force, and this has an immediate reflection in culture. Nevertheless, a unique aspect of the scientific and technical revolution is that it has had a very limited capacity to influence the solution of the underdeveloped countries' problems and, paradoxically, has led to a widening of the gap between the so-called developed and underdeveloped countries. This has helped to show that only changes in socioeconomic structures lead to access to scientific and technical progress; and Cuba, which has changed its social structures, is starting to afford that access.

The process of scientific knowledge is a complex theoretical problem that Marxism has studied, and it is not our intention to comment on it here. However, it befits us to stress that preestablished ideas and criteria are not always true or correct, and that it is only through scientific thinking that the correctness of our criteria can be determined.

Research on cultural problems contributes to proper solutions and to the uninterrupted posing of new problems; and this is sufficient reason for us to encourage a scientific view in analyzing and addressing the country's cultural problems and the general problems of culture.

Moreover, scientific research on culture plays a fundamental role in the methods and procedures of leadership, because the scientific leadership of culture entails active introduction of the accomplishments of science into social practice. Experience has shown that culture is also an important subject of economic research and that cultural processes may also be researched on the basis of contemporary economic and mathematical methods. A subject that is starting to be studied is the fact that investments in cultural activity may not only be justified from an economic standpoint, but also appear to be compensated for more quickly than the economists had assumed. And this is due to the fact that raising the cultural level and professional qualifications is an important condition for the development of the productive forces under socialism.

Nevertheless, we are aware of the accumulation of practical and operational problems in the daily cultural activity, as well as of the needs and problems of the technical-material infrastructure of cultural activity which demand a capacity for immediate response and a level of management on a daily basis. The shortage of resources, the requirements for equipment for cultural facilities and countless objective material problems require daring, practical responses. This is more than sufficient reason to combat contemplative attitudes which show up in alleged scientific poses of a "laissez faire" type. What we ask, what the revolution in culture demands right now, is a willingness and capacity to analyze the problems and to seek solutions, and a consciousness of the value of scientific analysis, of the influence of the economy, of art and culture, and of the social and moral influence in the construction of socialism.

'The Development of Culture Requires of the Cadre (...) a Mature, Increasingly Scientific and More Specialized Consciousness of His Action'

There are also other aspects of the development of culture in the community that should be studied and researched. The issues of public attendance at cultural activities, preferences of taste, organization, the many types of cultural promotion and encouragement, the use of the available capacities of cultural facilities and many other problems pose the need for thoughtful, scientific consideration that can be carried out only through analysis and research.

Actually, the universe of problems, and often new problems, posed by the scientific orientation of culture is great. We in the ministry's leadership have been considering some of these problems, and are attempting to find methods of development and openness for scientific activity, both in organizational areas and in determining lines of work. We are currently working on the preparations for a scientific meeting at which we hope that specialists in the field may be able to devise the main guidelines for studies of Cuban culture. At the same time, we are striving to attain a minimal organization of scientific activity in the agency's main offices and national institutions, where there is a scientific potential for ability and experience.

During recent years, research centers have been created: for the life and works of Jose Marti, and for Cuban music; as well as the Alejo Carpentier and Juan Marinello promotion centers, and the Caribbean House in Santiago de Cuba; which, combined with other areas of cultural research with an acknowledged reputation, such as the House of the Americas and certain new projects, will put the ministry in a privileged position in the area of cultural research. But we do not think that the research institutions that the ministry has should be merely centers for passive scientific study; rather, we want them to be, at the same time, centers for promotion, extension and encouragement of culture that will revert the results of the scientific work to the dynamics of the country's life. Actually, cultural promotion is equivalent to the introduction of practice, or the relationship of practice with research.

There must be a dynamic interaction between the scientific research on culture and the promotion of the latter, because if the results of the research are valid and positive, they will turn into a kind of promotion. And this shows a social usefulness of scientific work on culture. Debate, through colloquia, seminars and meetings, on the work and ideas of the researchers at these centers represents a direct way of carrying out promotion. Moreover, we are also expending efforts to develop the research on more inherent aspects of cultural development on a central level. This is a more complex area, because while the functions are clearcut, the spectrum of scientific activity in the cultural institutions, and the research into problems inherent in cultural progress do not yet have a tradition nor administrative methods that can be readily executed. Nevertheless, we are working on the identification of certain problems that should be subjected to research.

For example, the population's free time is an area requiring exhaustive scientific probing. In fact, with the cooperation of other agencies, the ministry has created a task force that will study this issue during the current 5-year period. The study of free time is necessary both for planning and predicting the progressive development of culture and because of its role in the formation of the masses' socialist consciousness. Free time or, rather, human activity on which free time is spent, is an area that has, or should have, unique significance for culture. The diversified use and cultivation of free time helps the models of the new society to become constantly incorporated into human behavior and thinking. But in order to do this, to create a socialist cultivation of free time opposed to the subcultural commercial purposes of capitalist masses, there must be an intensification of the understanding of the features marking the use of the population's time in our society.

We have cited free time, but there are other problems that have been spotted, for which we are also expending scientific efforts. But what is involved is the fact that this revolution in culture that we have been discussing has brought about an urgent need to resort to scientific methods that will make it possible to hasten the course of our cultural progress.

Inasmuch as this is a seminar of that nature, we have stressed the importance of engaging in scientific research work and developing methods of analysis germane to science. However, we wish to emphasize, as we have also noted

previously, that it is in the development of the most extensive creative liberty in art that one of the bases for the expansion and enhancement of the country, and the high regard for individual and social artistic values as a basic premise for any effort for the nation's cultural improvement, lies.

Finally, we would like to stress the following: Behind all cultural work, and all the scientific research on culture that we could undertake, there lies an urgent need to raise the cultural level of the leadership cadres and of all those who, in one way or another, participate in the creation, promotion, organization and leadership of cultural activities. We must foster an increasing appreciation for what is beautiful, a high regard for artistic sensitivity, and a heightening of the cultural level of cadres. And high-level instruction does not suffice for this purpose. Luz y Caballero remarked: "Anyone can instruct; only one who is a living gospel can educate." If we interpret the expression "living gospel" from a scientific standpoint, in other words, with the meaning of active, transforming human consciousness, with aspirations for more universal knowledge of man, we might say that we need cultural leadership cadres who have a deep sense of the phenomenon of art and a complete understanding of its powerful influence on the formation of consciousness in their all-important mission to educate and raise the cultural level of the population, so that it may share in and enjoy the multiple, enriching life of socialism. And this lofty mission of the leadership cadres, the promoters and the researchers in the cultural area must be imbued with the realization that art must have its roots in the identity, the tradition, in what is genuinely popular, and in the spiritual and moral aspirations of the society, in order to contribute to a constant renewal of man's insatiable effort to create something new.

The important role in this regard played by the schools of art and letters of the universities and the Higher Institute of Art, as well as all the educational institutions concerned with the humanities, is enormous. We have been underscoring the issue of the humanities in the light of the moral, aesthetic and ideological issues posed by socialism for some time. It is obvious that, in this area, we still have a long way to go; and I shall not tire of using any occasion to call attention to the fact that the development of the cultural and artistic fields, and of the humanities in general, in the light of historical and dialectical materialism, is both theoretically and practically linked with various ideological, aesthetic and moral problems currently facing the people and the youth in particular. Other fields on the university level are concerned with the study of natural sciences or technology, but the very essence of the schools and institutions concerned with the humanities and the cultural area is associated with ideology, no less: with man's ways of feeling, thinking and acting, no less. Therefore, a decisive battle for socialist education must be waged in these educational institutions of a humanistic nature.

The economic, technological and scientific expansion for which we are working in our country must be based on the widespread improvement of the progress made in education, culture and social and moral consciousness. One wonders why some societies have attained high levels of economic and technological

development throughout the centuries, while others have been backward. It is obvious that the relations of production and productive forces are the reasons which, in the final analysis, have caused these phenomena. But together with that, also in a dialectical relationship, there has been the phenomenon of unequal development of culture and its sometimes more or less marked effect on the economic structure whereby it is supported. This is a complicated problem involving scientific research, that would open the doors for many questions and useful proposals for social practice. To be sure, we are not seeking to even formulate the premises of the problem, but rather to call the attention of all of you, researchers, cadres and workers in the cultural area, to the enormous importance of our activity to the life of a people; and all the more so when those people are constructing socialism with the revolutionary passion, steadfastness and altruism that typify the Cubans.

Hence, let us strive to make science deeply imbue our cultural work. Let us also strive to make culture in its broad sense increasingly imbue science, education, economy and all activities of our society, so that culture will make us increasingly free, as Marti wished! Let us strive to keep and renew our traditional popular culture; and let us make that traditional popular culture an effective weapon for combating what is false and artificial, and to promote what is genuinely popular, what is truly artistic. Let us stringently research artistic expressions, the cultural movement, and the specific roots, features and types of our art of popular origin. Let us convert that scientific exactitude and that demand into another element for everyone's struggle everywhere, on behalf of quality in art and cultural work! Let us make an in-depth study of our cultural movement, but let all those of us participating in that cultural movement dedicate ourselves to studying and preparing ourselves for this task with seriousness and determination! In science, just as in art and in life, there are no definitive goals, nor is there absolute perfection. There is just one word, just one slogan, and just one obligation: to excel!

Thank you very much.

2909

CSO: 3248/319



## BRIEFS

U.S. RICE PRICE HIKE--ROSEAU, Dominica, (Cana)--THE DOMINICA Government, which has accused Guyana of failing to honour a commitment to sell rice to the island, last week announced an increase in the local price of the commodity imported from the United States. The two Caribbean Community (Caricom) members have disagreed over the nature of the present trading arrangements. Guyana has repudiated Roseau's claim of a cut off in trade. "The new prices are due to an increase in the cost related with the importation of rice, now that it is being imported from a source outside the region," a Government statement said. The retail price of rice has been increased by seven EC cents per pound, and is now 82 cents per pound, the wholesale price has moved from \$67 (E.C.) per 100 pound bag to \$70.75 (E.C.) per 100 pound bag. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 13 Dec 83 p 19]

CSO: 3298/350



## SLOW ECONOMIC RECOVERY EXPECTED IN 1984

Quito EL COMERCIO in Spanish 1 Jan 84 p 17

[Text] The prognostications did not prove to be mistaken: 1983 was actually one of the most difficult years in Ecuador's contemporary history, primarily because of the deepseated economic crisis resulting from both internal and international factors.

Growth declined, and as a result it was inevitable that various readjustments had to be made in handling the economy, not at the behest of the International Monetary Fund or the foreign banks, but rather because they were unavoidable, and will continue to be such, for emerging from the crisis.

For example, it became necessary to cut the deficit in the budget which had reached 7 percent of the gross domestic product; because otherwise the inflationary process would have assumed far more serious proportions than have occurred. A deficit that is excessive and improperly financed is nothing but squandering and irresponsibility.

Also ineluctable were the corrective measures concerning the foreign debt, which had been contracted so merrily and aggressively in past years. Obviously those corrections occurred naturally, because the loans both from international financing agencies and international banks had been automatically cut off as a result of the country's critical credit situation.

But the picture became tragically complicated by the torrential rains that fell on the country starting in September 1982 and lasting about 10 months, destroying sown land and plantations, and affecting roads and bridges. The agricultural and livestock supply dropped drastically, and there was no alternative but to resort to imports of certain staple consumer products, despite the meagerness of the international monetary reserve, which amounted to \$92 million in August.

The parity of the dollar, which had remained unrealistically low for so long (25 sucres per United States dollar since 1970) had to be revised again on 19 March, putting it at 42 sucres, plus 4 centavos of a sucre per day of minidevaluation. Starting on 21 June, this minidevaluation increased 5 centavos per day.

Many disagreed with the option of minidevaluations and would have preferred their suspension, believing that the proper limit had been reached. Unfortunately, it is difficult to set the exact value of the currency, unless it is gaged on the basis of international trade. And if this is the case, there are some who think that the dollar is still being subsidized in Ecuador, favoring imports. In any event, the present government seems resolved to continue the system until the end of its term, leaving the decision to the new regime.

One of the most distressing circumstances for the country's economy has been the large foreign debt, estimated at about \$6.3 billion. After exhausting talks held by the Economic Front's negotiating team, finally there was a refinancing for the segment that fell due yesterday, amounting to \$2.002 billion, \$1.2 billion relating to the public debt and \$950 million to the private debt. The term was extended to 7 years, with a 2-year grace period, and an additional \$600 million which fell due this year was also refinanced temporarily until the agreement is determined with the members of the new government.

There is also dissatisfaction with the terms of the negotiations, claiming that they are too harsh with regard to terms and interest, and that precious time had been wasted up until they were concluded. To excuse the negotiating team, it might be said that the problem of such a large debt was totally new, which explains the delays and hesitation, and the terms are the usual ones in similar cases.

Of course, no debtor would be displeased to see the terms extended and a cut in the financing costs. That precisely will be one of the main reasons for the Latin American and Caribbean Economic Conference that will open in this city within a few days. Consensus is being sought on the issue on a regional level, and if it has realistic and applicable views, it is possible that the creditor side may agree to assume more conciliatory positions and terms for payment of the debt which, in the long run, would be beneficial for everyone.

Hence, the payment of the debt, as well as the floods and the resultant restrictions on imports, plus the drop in exports stemming from the world recession, caused the gross national product to decline to 3.3 percent in 1983, with extremes such as that in agriculture and livestock, the product of which declined 14.9 percent, agriculture, with a 29.1 percent drop and construction, which decreased 15.4 percent.

The decline in production in the agricultural and livestock sector aroused the greed of speculators, and was the main factor in the heightening of the inflationary process. Inflation was triggered in a runaway fashion, as never before in history, rising from 28.3 percent to 63.4 percent in November; with the noteworthy feature that in the food and beverage sector it went from 34.5 to 110 percent. During the final days of the year, and as a result of a more tolerable winter season, which afforded better food crops, inflation dropped to 55.6 percent, and it is expected to continue declining over the coming weeks.

But the damage was recorded in history. Banana sales dropped 28 percent, those of cacao 86 percent and fish 40 percent. Generally speaking, during the 11 months of the year, the total exports for 1983 amounted to \$1.979 billion, or 30 percent less than during the same period of 1982. But, owing to the deterioration in the external sector, imports had to be severely curtailed, amounting to \$1.122 billion; whereby a surplus occurred in the trade balance totaling \$857 million, or 119 percent more than in 1982.

Thanks to oil, the economy did not collapse. Despite the price cut in March, from \$32.84 to \$28.50 per barrel, the revenue from crude sales rose to \$1.327 billion, 9 percent more than the year before. And this occurred because production increased from 223,000 to 240,000 barrels per day (totaling 78.5 million barrels), to which it is expected that another 15,000 barrels will be added very soon.

Moreover, the hydrocarbon generated 67 percent of all the income from exports. With cacao, coffee, bananas and other primary products, that percentage of the total increases to 73 percent. Shrimp followed next after oil. Manufactured or semimanufactured products carried almost no weight in sales, and were canceled, as in the case of lumber and household electrical appliances, because of the closing of the subregional markets.

The oil decade and the nationalist revolution did not foster a change in the model of growth, because there obviously still exists a total dependence upon primary products such as oil, that is rather indispensable, and other superfluous ones such as bananas, cacao and coffee. And the worst part about it is that no attempt to diversify production, which would make it possible to promote the processing industries (particularly agroindustry) will be possible to achieve unless it is based on sales of those same products.

Essentially, oil has been and will continue to be the main driving force of the national economy. By the same token, putting aside ideological considerations, that industry must be provided for and protected with extreme care, because a negative upset in its operation could cause the country's suffocation. That is why virtually all the political groups except the extreme left agree that it is desirable to be receptive to foreign risk capital, so that there may be a reactivation of the activities involving exploration and exporting of new reserves, as the present government has decided.

The gloomy aspects of the economy were compensated for by the renegotiation of the foreign debt per se, the stoppage of the torrential rainfall and the return of credit. The International Monetary Fund granted a stabilizing loan of \$171 million, and the foreign banks granted another of \$450 million, plus \$950 million to finance imports. The paralytic began walking. Little by little the reimbursements for imports, which amounted to as much as \$600 million, have been paid. This year, it will be possible to procure new loans, to lift bans on certain imports and to renegotiate other sectors of the foreign debt.

Of course, this is a year of an election campaign if, as it is assumed, no presidential ticket receives the absolute majority and a second round of votes

proves to be necessary this coming May. This fact may perhaps create uncertainty and indecision regarding investments and reinvestments, both native and those coming from abroad. But, in spite of this, it is likely that in 1983 we touched bottom in the crisis, and that 1984 will be the year in which a definite recovery begins.

2909

CSO: 3348/205

## ECONOMIC DIFFICULTIES MARK END OF 1983

Quito EL COMERCIO in Spanish 29 Dec 83 p A-6

[Text] Quito, 28 (UPI)--1983 was a very difficult year for Ecuador owing to an economic crisis and floods; but during recent months much of the attention has been concentrated on the political campaign for the elections to be held in January 1984.

In the event that none of the presidential candidates receives an absolute majority, as is anticipated, the two with the largest number of votes will compete in a run-off election in May, and President Osvaldo Hurtado will turn over the government to the winner on 10 August of next year.

During the year there were many protests against the economic measures that had been adopted and the rising cost of living. In March, after a second devaluation of the sucre in less than a year, a national strike took place toward which the government, however, acted with restraint.

Inflation imposed a mood of anxiety in Ecuador, a country without any major precedents in that regard, resulting largely from the rise in food prices stemming from the floods that had caused devastation in large areas of the country.

Nevertheless, during the past few months Hurtado announced signs of economic recovery, although the crisis period has continued.

Inflation, which amounted to 28.3 percent in January, rose relentlessly and, in September, reached 63.4 percent. A decline started in October, and in December it is expected to stand at 52 or 53 percent, helping to ease tensions.

Government spokesmen have expressed gratification at the fact that, even amid the crisis, social peace has been maintained and there has been no jeopardy to democratic stability, attributing part of these achievements to Hurtado's determination and equanimity.

It is anticipated that the next president will still have serious difficulties in his government, although the worst is over.

In the economic area, oil continued to be the mainstay of the Ecuadorean economy, as occurred in 1972, when the exporting and production began.

Oil, with \$1.202 billion from January to October, represented 67 percent of Ecuador's exports.

The exports, totaling \$1.824 billion during the first 10 months, remained at approximately the same level as the year before, but imports declined 33 percent, totaling \$1.016 billion between January and October.

Restrictions on imports allowed for a favorable trade balance, but upset production, owing to the problems in providing raw material from abroad.

According to estimates from the private sector, business firms are operating at only 56 percent of their capacity, which is hampering payments of the private debt and causing price and employment problems.

The refinancing of the debt amounting to nearly \$7 billion was an important event during 1983.

Finally, after several contacts with the International Monetary Fund and the creditor banks, and following the Hurtado government's adoption of stringent measures, the refinancing of the debt for 1983 took place, and the refinancing for 1984 is being negotiated.

2909

CSO: 3348/205

## BRIEFS

FAVORABLE TRADE BALANCE--Quito--According to information supplied by the minister of industries, commerce and integration, engineer Jose Augusto Bermeo, an extremely favorable trade balance for Ecuador has been recorded up until November of this year. Despite the fact that exports declined that month by 1.1 percent in comparison with the same period in 1982, imports decreased 30.3 percent, according to the information provided at a press conference. He said that there was a 34.5 percent drop in imports of products on List 1, and a 30.1 percent cut in those on List 2. Bermeo Castillo was of the opinion that the country should continue to restrict imports, but said that in 1984 some products should be released from restrictions, particularly those involving raw materials. Disclosing statistics, he remarked that, by November of this year, products worth \$1.979 billion had been marketed abroad, of which sum \$1.8 billion pertained to primary products. Despite the sizable volume of sales, he noted that there had been a 28 percent reduction in banana exports, an 86 percent cut in those of cacao and a 31 percent decline in lumber exports, reductions which occurred mainly because of weather factors. Coffee exports, however, increased 8.7 percent; oil sales rose 19.4 percent; but industrialized products declined significantly, by 32 percent, the latter factor being due to the restrictions imposed by the Andean Group countries. [Text] [Guayaquil EL UNIVERSO in Spanish 23 Dec 83 p 1] 2909

CSO: 3348/205

## POLITICAL INTERVENTION BY MEXICO DENOUNCED

San Salvador LA PRENSA GRAFICA in Spanish 28 Dec 83 pp 7, 19

[Commentary by Joaquin Herrera Carias: "Inappropriate Mexican Attitude Toward our Country"]

[Text] A few days ago the Salvadoran Government "indignantly" rejected the draft resolution, presented by Mexico and France and co-sponsored by eight other socialist countries, referring to the human rights situation in our country. According to the international cable, the Salvadoran Ambassador Jose Luis Lovo Castelar, delegate to the UN Commission on [Human] Rights, said in Geneva that "that resolution is insulting, because it contains offensive accusations that fit neither the reality nor the proper forms of relations between governments."

At another time, and in an unprecedented action which put into question the seriousness of the previous PRI regime, Mexico and France issued a joint statement through which both governments extended recognition as a "representative political force" to the subversive groups that operate in our country.

For some time now, we also have cause to resent that some Mexican immigration officials have taken upon themselves the unpleasant task of harassing our countrymen, without concern for their legal residence, age or sex.

These unfriendly acts would have no greater importance if Mexico had not been one of the countries which in the past has been most characterized by its struggle on behalf of the faithful observance of the standards of international law, without doubt because it was the cradle of the author of the Estrada Doctrine and Benito Juarez, the renowned Oaxacan who led the struggle against French intervention in 1863.

Another of the difficulties which block our friendly identification with Mexico is the pronounced imbalance which has always existed in our trade relations. To do business is to give and receive, and Mexico has always received more from us than it gives us in return. Purely and simply, we buy from Mexico almost 18 times the value of what they have bought from us in the last 12 years.

Emboldened by the power their inexhaustible natural resources give them, the high officials of the PRI, who have governed that country for more than 50 years, have tried to extend their economic and political interests over Central



America; this has been made clear time after time in all their acts of reciprocal rapprochement, including in sports. And their incapacity to bring about their hegemonic intentions appears to be a cause of disgust, since although it would seem easy because of our own limitations, the Central American peoples will never be willing to become a game preserve, a political or economic reservation for the use of anyone.

In spite of the fact that on several opportunities a series of important agreements about various matters has been signed, for some of which Mexico's experience could have been useful to the country and beneficial to our people, they were never formalized. In other words, neither El Salvador nor the rest of the Isthmian countries have benefited greatly from the geographic presence of the Aztec country; very much to the contrary, we have assimilated, through its movies and television programs, idioms, music and some customs which have not added anything positive to the cultural wealth of Central America.

One thing is undeniable, and that is that the peoples of Central America and Mexico are joined by a common history, a common ideal, and a common destiny but, unfortunately because of the shortsightedness of the Mexican leaders, nothing has come of this, owing specifically to the greater power with which these leaders have abusively tried to impose upon us by force political interests foreign to our idiosyncracies. This is why the majority of Salvadorans distrust the "Contadora" group, of which Mexico is a part.

Given this background, we respectfully ask the Mexican rulers please not to meddle in the internal affairs of our country, because Mexico also is in the sights of international communism; and it is obviously advantageous to be able to count on loyal and sincere friends who will give support when, in its turn, the hour of tribulations and of the "gnashing of teeth" arrives.

CSO: 3248/352

BURNHAM, IN NEW DELHI, EXPOUNDS ON GRENADA, CARICOM

Assessment of Communique

Georgetown GUYANA CHRONICLE in English 1 Dec 83 pp 1, 4

[Article by Kamini Persaud]

[Text] NEW DELHI--[GNA]--The dust which was raised in the Caribbean in the wake of the US-led armed invasion and occupation of tiny Grenada as well as the talk about setting up Caricom II has started settling, President Forbes Burnham said yesterday.

He was speaking in an interview with Guyanese journalists who reported on the just-concluded Commonwealth Heads of Government Summit in New Delhi.

"I think that now the dust is settling, all this talk of Caricom II is also settling out of the mixture," he said in the interview.

Asked to comment on the Commonwealth's call for an early return to "the spirit of fraternity and co-operation that had been so characteristic of the region", Cde Burnham said New Delhi may be described as one step forward. "It got some of us talking," he said.

He said the recent call for the setting up of Caricom II did not feature at all in his discussions with Commonwealth leaders. He noted however, that Jamaica's Deputy Prime Minister Hugh Shearer who headed the Jamaican delegation had suggested the holding of a Caricom Foreign Ministers meeting to discuss certain issues.

He disagreed with the view that the New Delhi Communique issued at the end of the Summit represented a watering down of positions on Grenada.

Guyana's position as regards the invasion of Grenada, he reminded, was and still is for the immediate withdrawal of all foreign troops from that island.

He named the admission by Commonwealth states--"even by implication or inference"--that US troops had no right in and should get out of Grenada, as one of the highlights of the Summit.

Another highlight was the general support for an increase in the resources of international financial institutions with allocations in "accordance with need rather than subscription."

In addition, he said the reaffirmation of the Commonwealth position of support for Guyana in the territorial controversy with Venezuela was one result which had made attending the New Delhi Summit worthwhile.

At Melbourne, in 1981 the Commonwealth heads had expressed their support for Guyana in the territorial controversy with Venezuela and had called for respect for the sanctity of treaties and for a peaceful solution to the matter.

On Guyana's possible participation in a Commonwealth Caribbean police force in Grenada, the Guyanese leader said this would be on three conditions: The withdrawal of foreign troops, the independent functioning of the interim administration in Grenada, and an invitation from the interim administration.

"...We are not going thrusting ourselves on anyone even though we pride ourselves on having the best police force in Caricom."

And, commenting on Guyana's position and attitude towards the interim administration in Grenada, he contended that that administration "has great possibilities".

He noted that it was headed by a distinguished and competent Grenadian and West Indian, and he said he suspected that its members would "permit and encourage the widest possible participation by Grenadians in their future constitutions..."

He however stressed that if Guyana were not satisfied with the functioning of the interim administration, then "assistance by Guyana is out of the question".

Meanwhile, on the action to be taken by the Cyprus Committee of which Guyana is a member, Cde Burnham explained that the preparatory work would be done at the United Nations through the representatives of the five countries.

Following this, tactics would be mapped out. He however noted that the committee's strategy was to render ineffective the Unilateral Declaration of Independence by the Turkish Cypriots.

He said the Commonwealth Consultative Group on Economic Issues, has the advantage of including representatives from both sides of the economic and ideological divide.

This means the group will have "the opportunity not merely of looking at the questions globally, ... but also how they impinge on the interests and aspirations for development of various Commonwealth countries," he pointed out.

While in New Delhi, President Burnham met and held "useful bilaterals" with several of his colleagues--including Prime Minister George Chambers of Trinidad and Tobago, President Kenneth Kaunda of Zambia and Prime Minister Indira Gandhi of India.

## Grenada Ramifications

Georgetown GUYANA CHRONICLE in English 1 Dec 83 p 4

[Text] NEW Delhi--[IPS]--"It can happen again" in the Caribbean, Guyana President Forbes Burnham said in New Delhi yesterday in discussing the US-led invasion of Grenada last month.

He said the United States might attack a country like Guyana, but added that the Commonwealth consensus on Grenada should serve notice that the Commonwealth strongly opposes intervention.

Burnham told IPS that Caribbean, African and other countries strongly critical of the invasion have not given up their principle that the forces of aggression must be withdrawn from Grenada before attempts to restore normalcy can be made.

He said the text of the [words illegible] for these countries, a compromise "on words, not on principles," with the text's suggestion that free and fair elections cannot be held in Grenada before the country is "free of external interference, pressure or the presence of foreign military forces."

Burnham said the communique's central point is the "instistence" that foreign forces leave before the Commonwealth can help in the maintenance of law and order, if such help is sought by the interim civilian administration.

Burham said he would have liked the Summit to make a clear call for the withdrawal of foreign troops, but added that "I can live with" the consensus.

Commonwealth leaders are hoping the Summit consensus will "sensitise world opinion" to the long-term hazards of such invasions of small countries.

Quoting an old proverb that fishermen do not offer bait to fish already caught, he said such countries may soon be forced to recognise the "harshness of being occupied literally and metaphorically", and of their leaders "having to take orders from foreign diplomats in their countries"--a situation which he linked to "diminution of manhood."

But, Burnham said, Grenada can happen again. Guyana, which he said is already a target of U.S. "economic aggression," is "in a state of preparedness" because "military threats are not advertised."

CSO: 3298/351

FOCUS ON STRUGGLE AGAINST CONTROL BY OUTSIDE FORCES

Reid Attack on U.S.

Georgetwon NEW NATION in English 4 Dec 83 p 1

[Text] General Secretary of the People's National Congress, Cde Ptolemy Reid, said that the United States is spending some one million dollars every minute in arms which they supply to other countries.

Addressing a mass rally, Thursday to commemorate the seventh anniversary of the Guyana People's Militia at Esplanade Road, New Amsterdam, Cde Reid said that the United States, a world power controls the financial resources of the world and as such it is using its power of veto to determine who must have loans and those who must not have.

By giving food aid to some poor nations the United States automatically controls those countries. Cde Reid stressed that Guyana will not bow and go with begging bowls for aid or aims.

He referred to the vetoing of a \$156 million loan for Abary Two of the MMA Project and pointed out that despite the blocking of the loan Guyanese will use all their resources available to complete the project so that at the completion when the land is put under cultivation the nation can be assured of self-sufficiency in food.

He called on the people to put the land to use and produce to the maximum and at the same time use all their human resources to the fullest for the betterment of the nation.

He told the GPM that the organisation has come a long way and stressed their training and practice would be meaningless if they are not prepared to defend the revolutionary gains.

He urged the members to train their minds properly to apply their knowledge wisely.

## Agricultural Strategies

Georgetown NEW NATION in English 4 Dec 83 p 5

[Text] The need for emphasis on agricultural development as the basis for economic survival and eventual recovery has been stressed by Central Committee member, Cde Sallahuddin.

Speaking at district conferences in Region Six, Cde Sallahuddin's discussions centred on the burning economic issues facing the developing world, particularly those countries with vast agricultural resources.

Cde Sallahuddin, who is Minister in the Ministry of Agriculture, said the major difficulties in agriculture, in our country today and in the developing world are due to policies of the imperialists nations who try to stagnate our effort and he referred to the cancellation of two loans from USAID for on-farm development in Black Bush and for the further modernisation and expansion of Guyana Rice Board facilities. Farmers in Black Bush are mainly rice cultivators.

He outlined the imperialist strategies, and said that the blocking of development finance, and the EEC subsidies on beet sugar have had serious effects on our economy.

EEC beet sugar is cheap and when dumped on the world market, consequently affects the prices of Third World cane sugar.

Cde Salahuddin said that the United States would be spending some \$50 billion to keep some 32 million hectares (80 million acres) of agriculture land idle in an effort to control world food stocks and prices of food commodities.

The United States is also using "psychological warfare" to make people believe that food produced in the developed world is superior to the food produce in the Third World and so encourage the sale of their products, Cde Sallahuddin added.

He told the massive gathering at the meetings that the United States is using food as a political weapon in an attempt to destroy agriculture development in the Third World.

Referring to the recent invasion of Grenada by the United States and six Caribbean lackeys, Cde Sallahuddin said that we should not allow disunity within the region, He said imperialism must not be allowed in the region under the guise of restoring democracy.

## Psychological Warfare

Georgetown NEW NATION in English 4 Dec 83 p 5

[Text] The struggle facing Guyana is not only economic. It is also psychological and the psychological warfare is not only aimed at controlling our

minds, Chairman of the Guyana Rice Board, Cde Oscar Clarke, told the annual district conference of the Crabwood Creek district, last Sunday.

Cde Clarke who was delivering the feature address at the Conference, said that if Guyanese are to ensure that there is liberation they must develop the will never to submit or yield.

To yield to such designs would mean giving up to the gains of the Socialist revolution launched in Guyana nearly two decades ago, by the People's National Congress, he said.

He added that there are visible results of the Socialist revolution in Guyana and among these are the various infrastructure developments, the increase in agricultural production largely through the various irrigation schemes launched by government, improvements in communication and the greater reliance on the things we produce.

The people of East Berbice could testify to the speedy road transport system linking Crabwood Creek and New Amsterdam eradicating the need to wait on the Canje Bridge, he said.

"Our achievements are our ammunition to support our revolution which has taught us to use wild nuts for margarine and edible oil without any foreign additives", Cde Clarke said.

He said that the revolution has provided scope for Guyanese to use their imagination. There is need for the imaginative use of the land for production and we should seek to see that those lands that are currently producing those things that are not designed to help us should be beneficially occupied, he added.

#### Union Destabilization

Georgetown NEW NATION in English 27 Nov 83 pp 4-5, 6

[Text] Member of the Central Executive Committee of the People's National Congress, Cde. Desmond Hoyte, called upon workers of Guysuco to be wary of those trade unionists within the industry who could attempt to deny them of their livelihood by disrupting the sugar industry, when he commissioned the first bagasse baler in the sugar industry at Albion sugar estate last week.

Every worker has a vested interest in the well-being and development of the sugar industry and Guysuco's survival depends strongly on good working relationship, not only among floor workers and management but also between Guysuco and other state corporations and agencies, he said.

In congratulating Guysuco for taking this bold step, "Cde Hoyte said the bagasse baler will enable the sugar corporation to make more efficient and wider use of this opportunity to get involved in energy conservation.

He told the sugar workers that diversification in the sugar industry must not only be the introduction of new crops but also finding new uses for sugar cane.

One mandate to Guysuco at the time of nationalisation was to expand, diversify, and at the same time be a leader in setting standards and examples in devising new ways for higher production, Cde Hoyte told the workers present.

In the pursuit of self-sufficiency, he noted, Guyana was hampered by the high cost of petroleum and that the installation of bagasse baling equipment would reduce Guysuco's operational cost, he said.

Cde Hoyte said that the bagasse baling equipment was put down at cost of \$2.2 m. It has a capacity to produce 50 bales or six tonnes of bagasse per hour, for use in steam generation for the sugar boilers and for power generation.

He disclosed that Guysuco lost \$92M. last year and added that Guysuco is too intricately woven in the social and economic fabric of Guyana society for its closure to be considered.

The philosophy of government is not to close down an industry because it is running at a loss, said Cde. Hoyte, a pointed reference to Jamaica where some sugar estates were closed leaving 11 000 workers redundant.

He indicated that in many other countries Guysuco would have been closed and 25 000 workers made redundant.

And Guysuco Chairman, Cde. Harold Davis, in his opening remarks said that the putting into operation of the bagasse baling equipment is like the land preparation and land farming equipment, another landmark in Guysuco's technological and developmental programme.

He added that in order to survive the trauma of the times we are passing Guysuco is embarking upon the sensible use of relevant technology.

The equipment which is the first phase of a seven million dollar producer gas plant complex will conserve on fuel and will put into economic use some 40 000 tonnes of cane waste, he said.

Cde. Davis explained that the system will pay for itself within five years and will bring about a saving of approximately one million dollars annually, and pointed out that this is merely an extension of Guysuco's Energy-Conservation Programme.

According to Cde Davis Guysuco has been monitoring the use of petroleum products since June 1979 through a systematic procedure and stressed that the Corporation has been able to sensitise its work force to the fuel crisis and was able, to a large extent to obtain their co-operation in efficient fuel utilisation.

He said also since 1979 Guysuco has reduced consumption of petroleum products by approximately 20 per cent.



## TUC LEADER POLLYDORE: PROTECT WORKERS' INTERESTS, RIGHTS

Georgetown GUYANA CHRONICLE in English 1 Dec 83 p 3

[Text] GENERAL Secretary of the Guyana Trades Union Congress Cde Joseph Pollydore has called on Trade Union leaders not to allow themselves to be overcome by despair. He cautioned them not to seek recourse, to what some consider an easy way out, by becoming submissive or acquiescent, and as a result unduly compromise the interest of the workers. That is a certain road of self-destruction for such leaders he added.

Cde Pollydore in a message to the Guyana Field Foremen and Supervisors' union's conference said that it is against the very challenging situation posed by the country's economic problems which provides the opportunity for the leaders to recapture the confidence of the workers by demonstrating real leadership capability. Workers and leaders together must rise up to the challenge.

He said that instead of achieving new economic gains, the trade unions today are engaged in a continuing struggle to defend those gains which they had won by the tremendous sacrifice of the workers.

The economic situation of the workers continues worsen as a result of rising unemployment, low wages, high prices and shortages or non-availability of essential items.

New trends in values are continuing to emerge, some of which give rise to serious arguments as to their beneficial or deleterious impact on our society.

Cde Pollydore called on Trade Union leaders to look around at the attitude of the people when faced with the shortages of essential commodities, the absence of milk on the market, while stocks are held in the bonds, the high price of soap, toilet paper, tooth paste, and cooking oil, while the minimum wage remains at \$12.71 per day.

Nothing else can contribute as much to a general state of malaise and frustration among people and provide excuse for idleness, than the evidence of the unchecked falling standards which we are witnessing all around today.

It is against this serious upsetting economic background that the Guyana Field Foremen and Supervisors Union held its conference last weekend, Cde Pollydore said.

## MINISTER APPEALS FOR OPPOSITION SUPPORT OF GOVERNMENT PROGRAMS

Georgetown GUYANA CHRONICLE in English 9 Dec 83 p 5

[Text] HEALTH Minister Richard Van West Charles yesterday appealed to the opposition in the National Assembly to help support Government programmes which will help reduce infant mortality and child death rates.

He suggested to People's Progressive Party Member Cde Janet Jagan that instead of repeating questions on the death rates, she and her party "which represent about 15 per cent of the people" should support programmes for breastfeeding, oral rehydration therapy and others inclusive of reduction of teenage pregnancy.

He denied the suggestions in a question that Guyana had the highest infant mortality rate and the highest child death rate in the Commonwealth Caribbean.

Cde Van West Charles, who was answering questions in the National Assembly, declared that it would be foolish to compare Guyana with the small islands in the Caribbean.

"We have geographical constraints. You have to examine the conditions and causes," he urged as he countered Cde Janet who rejected the Minister's latest statistics which show that other countries in the Caribbean have recorded higher rates.

Cde Janet quoted UNICEF 1982 figures to support her rejection but the Minister said that one of the problems in Guyana was that women were not attending clinics and he called on the Opposition to encourage women to be involved in the campaign.

Speaker Sase Narain intervened to stop further dialogue on the matter.

In answer to another question, Minister Van West Charles said distribution of medicated salt for control of malaria was curtailed in Rupununi in 1971 and in North West District and Pomeroun in 1982 because of a trowing resistance to the treatment.

He said the World Health Organisation had advised that after a period of years, there should be a relaxation of the use of medicated salt for at least

three years to prevent the development of parasite resistance to the drug Chloroquine (which is added to cooling salt to make it medicated salt) in treatment of the Vivax infection. Vivax is one of two types of malaria. The other is Falciparum.

Both types are found in Rupununi but only Vivax in the other areas. Cde Van West Charles, however, assured the House that the malaria eradication programme was continuing with dwellings being sprayed and treatment given to all whose blood smears show infection.

Along with these activities, prophylaxis is readily available in Georgetown, Lethem, Charity, Matthews Ridge, Mabaruma and Bartica for persons from non-malarious areas travelling to any of the malarious areas for the duration of their stay, the Minister pointed out. He said spraying was also going on in aircraft and at wharves in Georgetown.

CSO: 3298/352

## PNC CONCERNS SURFACE IN REPORTS ON PARTY ACTIVITIES

## Supreme Congress Slate

Georgetown NEW NATION in English 4 Dec 83 pp 4, 8

[Text] LEADER of the People's National Congress Cde Forbes Burnham will be at the peak of national events during this month's observation of the 19th anniversary of the PNC Government. Cde Burnham is scheduled to make major presentations at some of these events.

The events, all of national interest and significance, will commence with the Supreme Congress of the People at the National Cultural Centre on December 16.

Cde Burnham's address at that forum will set the tone for the weekend deliberations at the PNC Special Congress.

The Supreme Congress of the People comprises all members of the National Assembly, members of the National Congress of Local Democratic Organs and members of the Regional Democratic Council.

The Supreme Congress is designed so that all members may participate in the debates. The NCLDO members may discuss any matter of public interest, and may make recommendations to the National Assembly or Government and shall in particular advise the President on all matters which he may refer to that body.

The Special Congress of the People's National Congress, which is a follow-up of the recently concluded Fifth Biennial Congress is scheduled for December 17, and December 18 at the Sophia Auditorium. This Special Congress was scheduled to facilitate election of the PNC Leader and members of the Central Executive Committee.

The elections were postponed from last August because of amendments to the Party constitution. The special arrangement was necessary to give Party members time to study the amended constitution which changes the structure of the Central Committee and its method of appointment.

The activities marking the 19th anniversary of the People's National Congress government will culminate with a grand rally and National Market Day in downtown Georgetown.

Vice-Chairman of the PNC, Cde Robert Corbin, said the rally and market day are highlights of the observances marking the 19th anniversary celebrations.

At a recent media conference Cde Corbin said Comrade Leader will use this occasion to report to the nation on the results and decisions of the Special Congress and other matters of public importance.

#### District Conferences

Georgetown NEW NATION in English 4 Dec 83 p 3

[Text] Cde Chairman, comrades all;

District Conferences are one of the more important hubs around which our Party Revolves. Accordingly, you comrades are entrusted with a mandate of great importance. For after all, it is the deliberations in which you participate and the decisions you arrive at which surface at the highest levels of our Party.

As you are well aware, at this time our country is going through a harsh period. This unprecedented situation requires a level of imaginativeness, creativity, constructive thinking and productive action of which you are very capable. I know each of you here personally since I pride myself of having over the years made the acquaintance or established the friendship.

I am quite sure that if each comrade would think hard enough he or she would not only be providing solutions which would be relevant to the Region but also to our nation as a whole.

I must ask you to be constantly aware of the concerns of our Party in your deliberations. In the first place there is the question of agriculture and food production. Our Comrade Leader has stressed the utter importance of this aspect of our nation and Party effort ad infinitum and we would expect that better results would surface at the conclusion of your conference.

Then there is the constant need to be always vigilant about our independence and territorial integrity, no country in the Caribbean is safe from pressures such as the recent unsavoury happenings in Grenada.

All this simply adds up to no more or no less than that we have to take care of ourselves since we have no fairy godmother or anyone else to protect or help us.

Comrades, whether we like it or not, our destiny lies squarely in our own hands and we can only survive and develop ourselves, our Party and our country if we are self-reliant.

For years self-reliance has been on our agenda, let it come to fruition now! Above all I would earnestly ask you to realise that once we have the WILL to succeed and surmount our problems, success is inevitable.

This year has been declared the Year of Will because we know that nothing could stand in the way of deep determination. The dark clouds are about to break and the first rays of the new dawn will soon burst forth, success is within our grasp, seize it!

I would like to wish you all a very successful and profitable conference and may God bless you all!

I do hope to see most of you at our Special Congress which will take place on the 17th and 18th December, and on the occasion to mark our 19th Anniversary in office.

Over those 19 years we have accomplished much. Let us resolve to do more and consolidate our gains. We have done much and more is required to be done and I know with your continued help and guidance our Party can be greater and our nation more prosperous.

#### Role of Activists

Georgetown NEW NATION in English 4 Dec 83 p 3

[Text] Member of the Central Executive Committee of the People's National Congress, Cde Robert Williams, has said that Party activists must give guidance and assistance to people involved in production and at the same time they must be alert against destabilisers who would want us lose everything we fought so hard to achieve.

Speaking at the Second Annual Conference of the New Amsterdam P.N.C District last Sunday at New Amsterdam Multilateral School, Cde Williams said that to be self-reliant in food we have to produce abundantly, and Party cadres must lead by example.

On the question of food items, he said it is expected that a new distribution system would be put to ensure that commodities when available would be distributed in an equitable manner to all.

And in giving the charge to the officers elected for the new year Cde Santon Lambert, Regional Supervisor, called on the officers to be conscious of the work they are doing in their communities, so that it could be an inspiration to others.

He said by their astute leadership they must be able to attract quality membership. The Party cannot survive unless the members understand and practise in various ways the ideology of self-reliance.

Those elected were Cde Gerald Scotland--Chairman, Mary Kyte--Secretary, Joseph Cox--Treasurer, with Edward McBean as Alternate General Council Representative.

## Call for Productivity

Georgetown NEW NATION in English 4 Dec 83 p 5

[Text] THE Regions are expected to emphasise greater production and community participation for 1984 as outlined in the Regional Budgetary proposals. Permanent Secretary in the Regional Development Ministry, Cde Stanley Hamilton, said the objectives would be to foster community development and self-reliance, through the initiatives of people in their various communities.

Cde Hamilton further said that those practical areas on which the administration would be based are intended to provide vital support for the productive efforts of people. They will also provide them with day-to-day opportunities for participating in the decision-making process.

In this regard the various Regional Administrations will be promoting and working more closely with production groups including co-operative societies.

The Regional Democratic Councils will focus on community involvement and participation. Special activities which would be undertaken in collaboration with farmers and producers in general includes, the formulation of community plans and programmes, the execution and monitoring of these, infrastructure work programmes and delivery systems for agricultural inputs and extension services and revenue collection.

## Economic Issues

Georgetown NEW NATION in English 4 Dec 83 p 5

[Text] CENTRAL Committee member Cde Harun Rashid, told workers of the Guyana Electricity Corporation in Berbice that they must understand the economic woes of the nation, and try to work in the best interest of the corporation.

Speaking at a work-site meeting at Cane Field Canje during a part of the one-week live-in mobilisation exercise organised by the People's National Congress Cde Rashid said government is spending ten times the amount on fuel now as compared with ten years ago, and declared that the importation of this vital commodity is putting a great strain on the economy.

He said what aggravates our economy also is the low prices we get for our exports. But he prophesised that things would be brighter next year.

Cde Rashid also disclosed that gold production increased by one hundred per cent compared with the corresponding period last year, and indicating the seriousness of the miners to sell more gold to the National Gold Board.

He added that every year more than \$75 million worth of gold was being smuggled out of the country.

CSO: 3298/352

GOVERNMENT CALLS FOR EXPOSURE OF 'WRONGDOERS'

Georgetown NEW NATION in English 4 Dec 83 p 7

[Text] Parliamentary Secretary in the Ministry of Housing, Cde Agnes Bend Kirton-Holder, has said that exploitation, favouritism, bribery and corruption are some of the difficulties Guyana is encountering during this period of transition to Socialism.

Speaking to workers at the Fort Canje Hospital last week during, part of a one-week live-in exercise in Region Six, she stressed the need for people to be more vigilant in identifying these wrong-doers in our society so that proper remedial measures could be taken.

Cde Bend-Kirton pointed out that these exploiters and saboteurs were capitalising on the economic situation much to the detriment of the nation. "We cannot move forward if we allow this ugly situation to continue. Positive action must be taken and you the workers must ensure that people benefit from the type of service they ought to have," she said.

She noted that Guyana has chosen Socialism as the instrument of development and declared that only through this means will people be able to enjoy a better standard of living.

Workers could play an important role in the economic recovery by exhibiting efficiency, punctuality, alertness and in general, display a greater sense of awareness, she said.

She called on administrators of various agencies and corporations to recognise the important tasks they have in ensuring that they contribute meaningfully to the development and well-being of Guyana.

CSO: 3298/353



## GUYANA-LIBYA COMPANY IN 10-TRAWLER DEAL WITH BRAZIL

Georgetown GUYANA CHRONICLE in English 1 Dec 83 p 8

[Text] THE Guyana-Libya Fishing Company yesterday signed a \$6-million US contract with a Brazilian company for supplying ten trawlers to be used for catching fish and shrimp in Guyana's territorial waters.

Guyana-Libya Fishing Company, established in September 1981, signed the agreement at Guyana Fisheries Limited wharf, Houston, with Serpery S/A, Comercio Exportacao e Importacao, agent for Industria Naval Do Ceara of Brazil.

Cde. Gavin Kennard, Chairman, and Cde. A.B. Dahan, Managing Director, signed on behalf of the fishing company, while Mr. Shevah Mansh and Mr. Mike De Souza penned their signatures on behalf of Serpery S/A; Comercio Exportacao e Importacao.

Provision of technical services and spares amount to 20 per cent of the value of the contract. The Crown Agents of Britain will monitor the construction of the vessels on behalf of the fishing company.

Through trawling of fish and shrimp, Guyana-Libya Fishing Company expects to earn substantial foreign exchange through export as well as to increase the supply of these seafoods locally.

Guyana Government has 51 per cent and the Socialist People's Libyan Arab Jamahiriya 49 per cent of the total capital of \$15 million in the Guyana-Libya Fishing Company.

Five of the gulf-type trawlers are to be delivered to the fishing company by next April and the rest by July.

Cde. Kennard expressed gratitude to Libya for its valuable financial support by way of cash and guarantees through the Libyan Arab Investment Company and the Libyan Arab Foreign Bank.

He observed that the choice of Brazil as the supplier of the fishing vessels reflected "the deepening economic co-operation between that country and Guyana and Libya, as well as the efficiency and competitiveness of Brazilian industry which won the contract by bidding against several companies of northern industrialised countries."

Among members of the Board of Directors of Guyana-Libya Fishing Company present at the signing ceremony were Cdes. Gavin Kennard [chairman], A.B. Dahan [managing director], Reuben Charles and Robert Williams [directors] and A.D. Ramrattan [secretary].

Also present were Mr. Nasser Abdussammi, Secretary [Ambassador] of the Socialist Libyan People's Bureau, and Eric Clarke, the fishing company's legal representative.

CSO: 3298/353

## BAUXITE COUNTER TRADE YIELDS ADDITIONAL \$15 MILLION

Georgetown GUYANA CHRONICLE in English 10 Dec 83 p 1

[Text] BIDCO and other corporations have earned an additional \$15 million for bauxite and other items exported under Government to Government counter trade for goods to be used on national projects and in other areas.

This was disclosed in a note explaining a request from the Ministry of Finance for the money to pay the corporations in a \$55 million financial paper to be debated in the National Assembly Monday.

The amount is for the period ending October 31 and the counter trade money is the largest item in the supplementary capital provisions in the paper tabled Thursday by Finance Minister Carl Greenidge.

Earlier this year, Chairman and Chief Executive Officer of Guymine Dunstant Barrow told a Face-the-Nation panel that counter trade arrangements were part of the plan to obtain spares and equipment to put the bauxite industry on the road to viability.

Bidco is the parent company of Guymine.

The other large amount in the capital provisions being sought is a \$2,1 million sum to acquire Takuba Lodge and renovate the building.

On the current expenditure side, the Ministry of Education wants a total of \$21,8 million as additional provision to pay revised salaries, allowances and benefits to teachers to December 1983.

The financial paper said some money has already been advanced and is for nursery, primary and secondary school teachers.

There is also a request from the Accountant-General for \$2,5 million to meet payments to retrenched workers and reimbursement to the Transport and Harbours Department for payments of pensions and gratuities.

CSO: 3298/353

## POLICE FORCE EXPANDING REVENUE-GENERATING ACTIVITIES

Georgetown GUYANA CHRONICLE in English 3 Dec 83 p 3

[Text] EAST BERBICE, (GNA)--The Guyana Police Force will be expanding its activities into new areas to generate revenue, Commissioner of Police Cde. Lloyd Barker has announced.

Addressing the 31st Annual Conference of the Guyana Police Association at the New Amsterdam Technical Institute, Cde. Barker noted that the sum of some five million dollars in warrants was outstanding and the police will take action to collect these outstanding payments.

In addition, the police will seek to earn additional revenue by the making and selling of shotgun cartridges. He said it will clamp down on the possession of unlicensed firearms in the country, will step up its vigilance in the Immigration Department and will monitor more closely, activities in the gold and diamond mining districts.

He noted that the Force is a service-oriented organisation and policemen will be involved in a conglomeration of new activities from which their efficiency will be measured.

Good law enforcement and national security, he pointed out, were fundamental for national development, and he exhorted members of the Force to continue to uphold their motto--'Service and Protection.'

Research, he added, has revealed that in spite of all the difficulties being experienced by the local police service, there is no police force in the Caribbean more efficient than the Guyana Police Force.

Touching on calls at the conference for increased salaries for policemen, Cde. Barker said he had no quarrel with the Police Association asking for better salaries. He stressed, however, that this should be measured in keeping with performance and he cautioned against comparing the salaries of local policemen with those of policemen in other territories.

CSO: 3298/353

## DUTIES OF NEW VICE PRESIDENT SHAHABUDDEEN DISCLOSED

Georgetown GUYANA CHRONICLE in English 2 Dec 83 pp 1, 5

[Text] DR MOHAMED Shahabuddeen who was appointed a Vice-President in the October 17. Cabinet reshuffle will be styled Vice-President and Attorney-General and will give general assistance to the President.

Directions in a notice titled "Constitutional Appointments," said Cde Shahbuddeen will also be responsible for all legal matters save where, by law, exclusively assigned to another authority.

The Ministry of Justice, Attorney-General's Chambers', Deeds Registry, State Solicitor, Public Trustee and Official Receiver's Department were listed under the Ministry/Department for which he would be responsible.

Until now it had been stated that Dr Shahabuddeen's duties were not yet determined.

President Forbes Burnham, the notice said, has "partially modified" the assignment of responsibilities for the business of the government among Vice-Presidents and other Ministers and Parliamentary Secretaries with effect from October 17 and he will continue to be charged with responsibilities not assigned to any Minister.

The notice included the President's new responsibilities for the National Science and Research Council and the Institute of Applied Science and Technology.

The other Cabinet Minister with responsibility in the area of scientific research is Minister of Finance and Economic Planning, Carl Greenidge, who is in charge of the National Bureau of Standards and the Guyana Metrication Board.

Apart from Prime Minister Ptolemy Reid and the four other Vice-Presidents--Desmond Hoyte, Cammie Ramsaroop, Hamilton Green, and Dr Shahabuddeen--seven other Ministers have been appointed Members of Cabinet.

They are Senior Ministers Robert Corbin, Haroon Rashid, Ranji Chandisingh, Rashleigh Jackson, Jeffrey Thomas, and Carl Greenidge and Minister Kenneth Denny.

There are six other Ministers, one Minister of State and four Parliamentary Secretaries in the Government.

The "Constitutional Appointments" notice details the appointment, style, matters and groups of matters as well as the Ministry/Department assigned to each of the Vice-Presidents, Senior Ministers, Ministers, Ministers of State and Parliamentary Secretaries.

CSO: 3298/353

## REPORT ISSUED ON '82 WORK OF MINISTRY OF AGRICULTURE

Georgetown GUYANA CHRONICLE in English 10 Dec 83 pp 7, 10

[Text] Chief Agricultural Officer, Cde E. A. Hubbard has reported that in spite of the unavailability of foreign exchange for vital inputs, and other hindrances, meaningful work continued during 1982 at the research units and in the general extension areas in the Agriculture Ministry.

In his summary in the Agriculture Ministry's Annual Report for last year, Cde Hubbard identified electricity outages, predial larceny at research field plots and the reduction of staff due to the retrenchment exercise as other constraints to a more desirable performance.

In the Crop Science Division, emphasis was placed not on plant breeding, but on evaluations and selections of promising lines, among these being corn, sorghum, peanut, soyabean, mung, cassava, sweet potato, tumeric and ginger.

The lack of foreign exchange prevented an early and adequate availability of vegetable seeds, but with the arrival of imported seeds after midyear, supplies were available for the remainder of the year and for May-June, 1983. Seeds were tested and stored for the Guyana National Service (blackeye) and the Guyana Rice Board (minica).

Investigations revealed that the age and source of seeds are factors affecting germination.

Superior quality trees, including sugar apple, carambola, and psydium were planted. These will provide scions to further enhance the supply of fruit plant seedlings to farmers. The Inter-American Institute for Co-operation in Agriculture (IICA) worked with the Department in the citrus rehabilitation programme and the small farm production and productivity project. Thus project involves intensive technology transfer or an on-farm basis in Region Six.

Research continued in several areas even though hampered significantly by predial larceny at the fields in Mon Repos and by cattle apparently deliberately set to graze by neighbouring farmers.

The lack of water control on some farmers' plots affected some on-farm research. Significant emphasis was placed on the extension aspect of the

coconut rehabilitation programme, but work also continued in the area of seedling production and demonstration plots.

The inoculant production continued at a high level of efficiency, but there was a significant reduction in the production of acoushi ant bait due to a lack of key raw materials.

The quarantine facilities continued to be very ill equipped and it is necessary for this service to be upgraded.

Research continued in the plant protection unit, particularly on Moko Disease. A survey was carried out on the Coffee Wilt in Region One.

The out stations Botanic Gardens, Central Horticultural Station and Kairuni--completed an acceptable level of their work programmes in spite of the numerous constraints. The overall performance of the Soil Science Division was relatively high, having achieved about 80 per cent of the projected targets. The Division processed 12 000 soil samples which represented the highest ever annual output.

The soil fertility research in the intermediate savannahs continued with indications that the method of deep incorporation of limestone has greater agronomic advantages over the present system used by the Guyana National Service.

The management of clay soils for the crop production project has progressed to the satisfactory completion of Phase One. The project has identified some critical soil parameters that affect crop growth. It has also demonstrated the kind of land preparation required to effect optimum surface drainage, the benefit of mulches in soil management systems and the feasibility of using minimum tillage.

The Veterinary and Livestock Science Division had unfortunately again changed headquarters in 1982, having previously changed in 1980.

The Division provided specialist extension service. Beef production increased during the period while that of poultry and pork reduced, mainly due to a shortage of foreign exchange needed to provide raw materials for feed.

The Artificial Insemination Service was again less than projected, this service having had difficulties with the ingredient--liquid nitrogen--for the production of semen.

The new Veterinary Diagnostic Laboratory being erected progressed at a slow rate due to the uneven supply of materials from Canada and other local logistic difficulties. The performance of the laboratory, however, was at a very high level, with a total of 4 915 samples being processed. Surveys were completed for brucellosis leptosperosis, piglet diarrhoea, bovine tuberculosis, blue tongue and dirofilaria.

Disease control programmes against foot and mouth disease and rabies continued. There was no significant outbreaks during the year.



The extermination of the Africanised bees continued as a special assignment of the division. Its Communication Unit continues to be active and effective within the constraints of its operations.

Generally, the efforts of the departments combined to provide a continuing confidence in the sector upon which much must depend in the ensuing years.

CSO: 3298/354

## BRIEFS

MINING ACTIVITIES--The Regional Administration of Region 9 is looking at small scale mining activities in the South Rupununi with a view of monitoring and controlling miners. The Regional Chairman for Region 9, Cde Harold D'Aguiar made this disclosure at a recent Annual District Conference of the People's National Congress held at Aishalton. Replying to queries as to how Brazilians were seen mining in certain areas, Cde D'Aguiar said that at no time were Brazilians given licences for prospecting. He said work permits were granted to some Brazilians who work along with Guyanese citizens. He further disclosed that the region has identified the Bobb and Johnson Enterprise as the region's representative on the Guyana Gold Board. It is hoped that the mining activities will be properly co-ordinated in the future. [Text] [Georgetown GUYANA CHRONICLE in English 10 Dec 83 p 4]

NEW AMSTERDAM ELECTIONS--EAST BCE (GNA)--Cde Gerald Scotland was yesterday re-elected Mayor of New Amsterdam for a second term. His Deputy, Cde Barbara Pilgrim was also re-elected for another year at the Council's General Elections meeting. Mayor Scotland who was re-elected unopposed, in a thank-you speech, assured residents that the Council would do everything possible next year to provide them with improved services, including better water supply. He said 1983 was a difficult year for the municipality, but despite this the Council was able to achieve some measure of success. [Text] [Georgetown GUYANA CHRONICLE in English 10 Dec 83 p 1]

SURVIVING WITHOUT WHEAT FLOUR--GUYANA has learnt to live without flour to the extent that government would now think twice about importing wheat again, Cde Oscar Clarke, told delegates to Sunday's annual district conference at Crabwood Creek. Responding to a question on the importation of wheat flour to Guyana, Cde Clarke explained that Guyana imported wheat not flour and made wheat flour available to the public at a highly subsidised cost. With the advent of the economic crisis the national economy could not afford wheat, he said. It would have been pointless to import less than the demand since this would have encouraged blackmarketing, he added. Central Committee member, Cde Sallahuddin, who was at the conference to deliver the charge and instal the newly elected district officers, said government also had to choose, between fuel, machinery medicine and other more important necessities than wheat. He added that the wheat imports would have been used up in a very short time with no impact on national development. The more important imports would have made an impact on the national development process, he said. Cde Clarke noted that the amount of wheat flour smuggled into the country by some persons is small compared with the wheat that was imported. Of great importance is the fact that what Guyanese have learnt could not have been learnt had this country continued to import wheat, he added. [Text] [Georgetown NEW NATION in English 4 Dec 83 p 4]

SMUGGLING ARRESTS--EAST BERBICE--Three more vehicles were seized by the police on the Corentyne and 10 persons detained in connection with uncustomed and banned items. The arrests and seizure were made at Whim Friday night when the police found large quantities of flour, split peas, oil, garlic onion and soap powder in three cars. Charges are expected to be instituted shortly. According to Senior Superintendent of Police Cde Hilton Cummings the arrests resulted from a tightening up of the police exercise against smuggling across the country's borders. Recently three Tapirs were seized with large quantities of Guyana sugar which were believed to be bound for neighbouring Suriname. [Text] [Georgetown SUNDAY CHRONICLE in English 11 Dec 83 p 13]

CSO: 3298/383

## INVESTMENTS BY BUSINESSMEN SAID TO CONTINUE

Mexico City EXCELSIOR in Spanish 7 Dec 83 p 30-A

[Text] We are seeing that businessmen are not frightened by the magnitude of our problems, as they continue to invest in spite of three devaluations that would nullify any project. They are keeping the light of hope burning by creating new job opportunities, and their activities are not limited to building an expensive and beautiful shopping center; an endless string of social benefits also arise from this.

This comment was made by the president of the Business Coordinating Council, Jorge A. Chapa, at the inauguration of the Plaza San Miguel Shopping Center in Leon, Guanajuato yesterday, the council reported.

Chapa said: "You are a group of men of action who succeeded in overcoming all sorts of obstacles ever since the cornerstone of this shopping center was put in place.

"You have demonstrated maturity, experience and faith in the future of Mexico's merchants, who in spite of present circumstances are leading the way to development."

Jorge A. Chapa said that the new shopping center will help to revive the urban area of Leon. "New investment is encouraged; it will be easier to meet the needs of a major population center; the flow of merchandise is being streamlined; economic recovery is promoted; the nationwide effort is supported, and major changes are made possible in the thinking and attitude of even the most discouraged people.

"The opening of this shopping center evidences continuity of action, and we can see how something important and useful is being accomplished through the modernization of business, which we fought so hard for during my term in office, a fight that the Confederation of National Chambers of Commerce is continuing.

"In a word, you are a conclusive response to those who have doubts about the men who are part of private enterprise and are struggling for the free enterprise system.

"Mexico will be rich or poor in accordance with the efforts of its citizens. We can put ourselves at ease when we see Mexico's businessmen, those in Leon in particular, ignoring the crisis and forging ahead with a clear awareness that our destiny will be fruitful in hard work and freedom," the business leader said in conclusion.

## INDUSTRIALIST COMPLAINS OF REGULATIONS, COMMENTS ON INVESTMENT

Mexico City EXCELSIOR in Spanish 7 Dec 83 p 30-A

[Article by Jaime Contreras Salcedo]

[Text] Mexico is awash in excessively bureaucratic structures that "are slowly and painfully killing off industry and causing the country to lose millions of pesos every day," Jaime Espinoza Delgado, the vice president of the National Association of the Processing Industry (CANACINTRA), asserted yesterday, adding that "government by decree is riding high, so much so that I could say that people along the border are living almost by decree."

At the press conference at which he announced his decision to seek the presidency of this business organization, Espinoza Delgado also underscored that the National Finance Bank, Inc is moving away from its role as a promoter of industry and "holding on to the companies that owe it money, instead of auctioning them off or turning them over to brokerage houses, as it ought to."

The private business leader called on all members of the public sector "to urgently achieve efficiency," noting that "there are well-founded fears" among businessmen that "the economic power of the State, which already controls more than 80 percent of industry, will increase further."

"Laws, regulations and plans come and go," he said. "This is why I think that we should be devoting more time to making a profit than to just thinking about how we are going to resolve things. Although this is no longer the time to look for someone to blame for our problems, we should renew our social commitment and look to the future."

Later on he said that Mexico "still does not offer the necessary conditions" for the industrial sector to undertake investment projects. Various difficulties have to be surmounted to this end, such as a depressed market, price controls, "unfair" competition from the government, a cash crunch among businesses and technological dependence on other countries.

As far as financing is concerned, Espinoza Delgado advocated the creation of a "clearinghouse" to enable industry to recover the necessary level of liquidity in the near term, adding that "the state-run entities that owe us money should pay off our loans directly to the bank and thus straighten out our finances."

The CANACINTRA leader, who is a former president of the Veracruz CANACINTRA, emphasized that he would be submitting to the government a series of "professional studies" in which the group will strive "to demonstrate that the government's involvement in the economy is a disincentive to private business, represents unfair competition and perpetuates a fictional economy."

Analysis in hand, "we will demonstrate that we can be better administrators than the government in the state-run companies, because it is well-known that not all of them are working at the levels that the nation requires."

#### National Finance Bank Role Reversed

The industrial leader later asserted that the National Finance Bank is putting heavy pressure on industry and that when companies are committed to the bank, it holds on to the ones that cannot pay it back.

This has encouraged "an inordinate expansion" of the government's role in the economy," he declared, adding that "I do not think that one of the bank's objectives is to hold on to industries by attaching them; it should be auctioning them off or placing them on the securities market."

Lastly, Jaime Espinoza underscored that private enterprise "must renew its commitment to Mexico and fight against greater government involvement in the economy."

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CSO: 3248/314

## PPS HEAD CALLS CHURCHMEN 'CAUDILLOS' OF COUNTERREVOLUTION

Mexico City EXCELSIOR in Spanish 23 Nov 83 pp 7-A, 8-A

[Commentary by Popular Socialist Party (PPS) Secretary General Jorge Cruickshank Garcia: "Seditious Conduct; the Clergy's Offensive"]

[Text] Although some authorities and elements of the ecclesiastical hierarchy are familiar with the articles of the Constitution, it is not inappropriate to remind them from time to time of some of its paragraphs, especially at a time when the clergy is displaying an openly seditious attitude, without any public official fulfilling elementary duties and reminding them that they must comply with their constitutional obligations.

Article 130 of this supreme law of the land says, among other things: "The ministers of religion may never, at any public or private meeting constituting an assembly, or in any religious ceremony or propaganda activity, express criticism of the country's fundamental laws, of any authorities in particular, or of the government in general. They shall have no active or passive vote, nor shall they have the right to assemble for political purposes."

For a long time, the dignitaries of the Catholic Church have acted without any consideration or scruples, in violation of this aspect of Article 130 and of the limitations imposed on religious corporations in Articles 3 and 27 of the Constitution. This rebellious conduct has worsened since the visit to our country by Pope John Paul II. Ecclesiastical leaders on all levels are violating not only the provisions of the Charter of Queretaro, but are acting in open rebellion against those precepts, and are working actively to derogate them.

What is most disturbing of all, in view of the severity of the crisis in the country's economic development and the strong pressures being exerted by the imperialists on our government as a result of its honorable international policy, is the feverish activity that has been taking place for months now--ever since the nationalization of private banks--on the part of the leading archbishops and bishops of Mexico. They have openly intervened in political and social struggles, trying to strengthen the conservative parties of the right, which enjoy the good will of the U.S. imperialists.

Today the leaders of the Catholic Church are trying to pass themselves off as "caudillos" not of the revolution, but of the counterrevolution. They are

attempting to exploit the dissent and protests of the masses stemming from the precarious position they find themselves in as a result of the crisis. They make frequent statements regarding political events and the activities of the national political parties. They denounce the "hunger, misery, poverty and social injustice in the country;" they claim that "the Church is concerned about electoral fraud, which corrupts the truth of elections and destroys democracy."

The archbishop of Jalapa, Veracruz, Sergio Obeso Rivera, president of the Mexican Episcopate, came right out and said that "the hegemony of any party is not healthy for the nation, be it the Institutional Revolutionary Party (PRI) or any other." At the same time, he warned that "violence may be the social cost of the problems we face," and he urged respect for the popular vote.

The archbishop of Hermosillo criticized the National Food Plan, which he described as a replica of failed programs.

The bishop of Mazatlan, Rafael Barrasa Sanchez, confirmed what everyone already knew: that the ecclesiastical hierarchy had indeed participated in the electoral processes of Chihuahua, Durango and Sinaloa.

In recent days, on the occasion of the plenary assembly of the Mexican Episcopal Conference, which in the words of Cardinal Corripio Ahumada will serve to "adapt the Church to the present circumstances and reform the Canon Law Code to give greater freedom to laypersons and clearly define the task of the members of the Church," innumerable press conferences have been held at which dignitaries attending the assembly have taken the opportunity to emphasize their unconstitutional pronouncements with truly seditious opinions.

All the statements by these "pastors of souls" are open provocations against the government and the democratic and revolutionary forces; they are acts of bad faith aimed at disorienting and confusing Mexicans. But our people have a memory, and they recall very well that the Church has never been on their side.

During the 300 years of colonialism, the Church was always the unquestioning servant of the authorities of the viceroyalty, whose most violent actions against the indigenous masses were supported by it. The Church joined the viceroyalty government in all its adverse acts, because it considered that the latter represented God on Earth, and therefore was infallible. It violently opposed the Constitution of 1917, to the point of taking up arms (which were naturally provided by the U.S. Government). It has passionately defended private property, which it considers a divine gift, and has actively served the owners of the means of production. The Church openly fought Agrarian Reform, the liquidation of the latifundios and the turning over of that land to the vast peasant masses. The most destructive elements of our society (politicians and members of the private bourgeoisie) have been given papal blessings at death.

Knowing the history of the Church, which has always been conservative--the historical facts expose it not as an advocate of justice, but as a proponent and promoter of injustice--we can ask: What goal is the Church pursuing in



this stage of our history? Does it want to return to the dishonorable role it played when it supported the invasion by the French Empire to impose a foreign emperor on us? Does it want to bloody Mexico once again, as it did during the Cristero rebellion? Does it want to cause Mexico to be governed by a Texas cowboy today?

Our concerns do not arise from Jacobin attitudes. We have always defended the right of our people to believe or not to believe. But that does not prevent us from denouncing attitudes that betray our people and our fatherland, that are promoted in the interest of strengthening the reactionary movements that have been condemned by history and of promoting the intervention by the imperialists in our internal affairs.

8926

CSO: 3248/335

EPISCOPATE GATHERS FOR 32ND PLENARY ASSEMBLY

Call for Church, State Rapprochement

Mexico City EXCELSIOR in Spanish 16 Nov 83 p 31-A

[Article by Juan Gerardo R.]

[Text] The bishops of the country yesterday expressed their desire for a rapprochement between the Church and the State, "because we both have an obligation to work for a healthy Mexico." They stated that there is a crisis in human values in the country; they lamented having to raise their voices, because "no one recognizes us," and they criticized the manipulation of information in some circles.

In the international sphere, they reiterated that there must be respect for the self-determination of nations, and on that basis, they described Grenada as another victim of the ambitions of the two superpowers. They also urged Cuba and the United States to pull out of Nicaragua.

During a recess at the 32nd Plenary Assembly of the Mexican Episcopate, which is being held at the Intercontinental University and is being attended by bishops from all over the country, a press conference was given to outline the actions being taken by the Mexican Church.

It was stated that the primary function of this meeting is "to establish specific norms, in keeping with the conference's purpose, in light of the New Canon Law Code."

It was noted that the Church is trying to decentralize and become an increasingly pastoral institution to directly meet the needs of the people among whom it finds itself. For this purpose, as of "today," the episcopal conferences of each country will be responsible for adjusting their actions to local needs.

Msgr Alfredo Torres Romero, secretary of the Episcopal Conference, and Bishops Manuel Talamas of Ciudad Juarez and Luis Reynoso Cervantes of Ciudad Obregon, were in charge of conveying the Conference's points of view on the country's situation.

Thus, they explained that Mexico, plagued by a crisis and ever increasing corruption, should overcome these problems with the participation of all Mexicans, who should act in complete honesty.

They indicated that there should be a closer relationship between the Church and the State, "because we both have an obligation to work for a healthy Mexico that will not become poisoned. We must keep in mind the things that unite us, not the things that divide us. At this time we should be united by the crisis."

When asked about a "certain silence" the Church has maintained regarding political prisoners and the "desaparecidos" in Latin American countries, the bishops answered, among other things, that:

"As pastors we can denounce," said Manuel Talamas, "the violations of human rights, but where are the figures? The statistics and information are manipulated, and the news we get depends on what agency is providing the information, what its ideology is, and even who the reporter is."

For example, he explained that during the last administration help was sought from President Jose Lopez Portillo and Attorney General Oscar Flores Sanchez to defend certain people (he did not specify whom), and we received a response; but in this administration, we have tried to get help and there has been no response.

For that reason, he stated, "some prudence is called for."

On the national level, the bishops also demanded respect for the municipalities, because they are the true centers of the country's development. They commented that rather than creating programs, they need respect.

As for the Church's tolerance for government institutions because "they do not recognize us," they said that they will maintain a prudent attitude, although they agreed that in some cases "voices are raised."

They explained that it is the task of laypersons to seek social change. But they also acknowledged that the latter are not trained for that, nor do they have the necessary awareness, and the three bishops agreed that they have been to blame for not knowing how to guide the people.

They clarified: "We have the people we deserve," going on to specify that people "do not know how to demand their rights; they do not fulfill their obligations. It is futile for us (the Church) to do everything."

With regard to the problems of Central America, they urged other countries not to take over the revolution of a people and manipulate its desires.

"There are two ways to invade, one is covertly and the other overtly," they said, and they claimed that "Grenada is another victim of the interests of two powers."

In that regard, they stressed the need for respect for the self-determination of peoples, and expressed the need for nations to decide their own fate.

To back up their statements and defend the Church's failure to come out in defense of the citizens of the world, they reiterated that there is a lack of information, and what is available is manipulated.

"How is it possible for Cuba, with its economic and social problems, to maintain soldiers in Angola or Somalia? Isn't the reason for this that the Soviet Union is behind it, and that instead of sending its own soldiers it sends those of the nations to which it provides economic assistance?" they asked.

The members of the Mexican Episcopal Conference received a message from the apostolic delegate to Mexico, Archbishop Jeronimo Prigione, encouraging them to continue their efforts and conveying best wishes.

### Revolution Called Off Course

Mexico City EXCELSIOR in Spanish 17 Nov 83 pp 1-A, 17-A, 33-A

[Article by J. Gerardo Reyes]

[Text] The bishops meeting at the 32nd Plenary Assembly of the Mexican Episcopal Conference stated that 73 years after its birth, the Mexican Revolution is being exploited by a group that now holds power; that it is off course, and that corruption rules in our day. They explained that poverty, hunger and illiteracy prevail in the land, and reiterated that in the interior of the nation not even the principles of the Contadora Group are applied.

They also complained that while television, magazines and newspapers tout new wines and sport oppulent displays of costly clothing and succulent food, the people are starving to death.

At a press conference (which has become a ritual) during the noon recess of the 32nd Assembly of the Episcopal Conference that is being held at the Intercontinental University, several bishops expressed their viewpoints on the national situation.

On this occasion the floor was given to Msgr Arturo Lona, bishop of Tehuacan, Puebla; Jose Llaguno, apostolic vicar of Tarahumara; Msgr Carlos Quintero Arce, bishop of Hermosillo; Manuel Talamas, bishop of Ciudad Juarez; and Msgr Felipe Aguirre Franco, auxiliary bishop of Tuxtla Gutierrez, Chiapas.

The clergymen think it is improper to follow a path toward statism, because that would betray the Mexican Revolution. They stated that in this regard, the State is becoming omnipotent, because it is "your doctor, your banker, your merchant" all at once.

For this reason, they claimed that the post-revolutionary governments have sent the Revolution off course, and are mismanaging it.

## "Resources for Corruption"

"Productive assets such as petroleum," they said, "which are so necessary for the country, rather than being used for the promotion and improvement of all the people, have been subject to corruption in various ways, which means that we are going down the wrong path."

They also expressed regret that "while one individual can spend millions of dollars at Las Vegas, other people are tightening their belts because they don't have enough to eat," and they called this situation unjust.

When asked about their role in overcoming the crisis, they answered:

"Our task is to accompany the people," but they explained that this mission is difficult to accept, and much more difficult to carry out.

They also agreed that the clergy, the Church, has a great deal of serious responsibility, but they lamented that they do not have the solution to the problems which also plague them.

The bishops touched on the problems of the nation in a clear and straightforward manner, stating that they view the country as exhausted by hunger, illiteracy and poverty.

After reiterating that the institution which they serve is working for the common good and the achievement of "human dignity," they remarked that the greatest burden of the crisis falls on the shoulders of low-income people.

They explained, "It is tragic to see how a housewife, going shopping, sadly realizes that her money is no longer enough to buy the food her family needs."

On the basis of their experiences and their direct contact with the populace, the ecclesiastical leaders stated that the Educational Revolution does not meet the real needs of the population.

During the interview their ignorance of the real features of the new educational policy being pursued by the administration became apparent.

### Criticism for Closure of Normal Schools

Nevertheless, they criticized the closing normal schools and private schools. They noted that the state of Chiapas is number one in illiteracy, and explained that they are working with the National Institute of Adult Education on programs to teach the public to read.

They also stated that they do not understand how centers for the training of teachers can be shut down when in the interior of the country the services of these educators are indispensable.

Television, magazines and some newspapers, they explained, do not take the dignity of the people into consideration. They insult it with advertisements

for new beverages and succulent foods, and this could create a discontent that would benefit no one.

In another area, they mentioned the upcoming elections on the Isthmus. In this region, they stated, officials have indicated that they will enforce the right to vote, and have done everything possible to ensure that there will be no bloodshed.

However, they claimed, it is very difficult to do that if there is no respect for the popular will. In the case of Oaxaca, the Labor, Peasant, Student Coalition of the Isthmus (COCEI), which is behind the movement, is against the interests of the group in power, so they expect the situation to be handled properly.

They also stated that in the case of Juchitan, there is a split among the ranks of the United Socialist Party of Mexico, because they seek only to form an alliance with grassroots groups, which is not the same as having the support of the majority.

In another part of the press conference they referred to the aggression against them by agents of the government in the southern part of the country, where they have been prevented from providing aid to more than 50,000 refugees.

#### Aid Does Not Reach the Needy

In that regard, they contended that the assistance sent by international institutions, such as the European Parliament, does not reach the needy. They stressed above all that Migration has mistreated them, to the point of forcibly shoving and pulling them out.

They also commented that complaints of this have been forwarded to the interior secretary, who has been annoyed by the demands of the bishops in the southeastern region.

They reiterated that the most serious problem facing the people of Mexico is educational, due to the lack of resources and training capabilities. "But we are not sitting on our hands. We have worked for a worthier education, to give Mexicans a true sense of their Christianity, because they are the ones who must change the country's situation."

Finally, they mentioned the lack of job opportunities in the country, and the eviction of indigenous communities, peasants and "ejidos" from their lands.

"The progress of the Mexican Revolution has faltered there; for this reason, we see that the people continue to suffer from hunger, and while some squander their money, others do not have enough to live on."

## Concealment of Problems Rejected

Mexico City EXCELSIOR in Spanish 19 Nov 83 pp 1-A, 22-A

[Article by Juan G. Reyes]

[Text] Our democracy must be improved, not only through legislation, but also with the participation of all Mexicans, stated the bishops of the country, who also pointed out that the Church, in adaptating to present circumstances, will not overlook the high cost of living, hunger, social injustice and illiteracy. "In spite of everything, we will continue to preach the Gospel," which does not tolerate this kind of thing.

At the close of the 32nd Plenary Assembly of the Mexican Episcopal Conference yesterday, Msgr Manuel Talamas Camandari, bishop of Ciudad Juarez, stated that the strengthening of the municipality is a good idea, because it makes for true economic and political autonomy. He proposed, therefore, that parishes cooperate to help man achieve his full potential.

At this final press conference of the Episcopal Assembly, where reforms were instituted in the Canon Law Code to adapt to Mexico's present situation, Mexico's current plight was discussed once again.

Referring to the Political Reform, it was stated that the people should keep pace. They should contribute to the improvement of democracy.

We should strive for this goal "not only on the basis of legislation, under the Political Reform, but also in terms of the growth of the citizenry and its sense of responsibility," explained the bishops.

They stated that the strengthening of the municipality is a healthy development, because until recently the free municipality was just the name of a street, not a reality.

For this reason, they proposed the integration of these small nuclei in the land with local parishes, in order to work together for the good of mankind.

They also indicated that the government is aware that the people need for their vote to be respected increasingly, and they expressed their desire that government officials meet that need—with regard to the vote—since the irregularities that have been seen are a result of bad habits in the past. "Democracy did not use to function as it should."

When Bishop Talamas and Father Ricardo Cuellar, executive secretary of the Episcopal Conference, were asked how the Church is adjusting to a complex Mexico, they commented:

"We will continue to preach the Gospel, from the internal aspects of man to the latest economic, political and social consequences."

"The Gospel was given us by God to illuminate mankind and everything related to him."

For the above considerations, they rejected the notion that the Church would conceal social problems, the high cost of living, hunger, illiteracy and corruption, and reiterated:

"We will continue to preach the fundamental demands of the Gospel: love and justice," and therefore, a resounding repudiation of all the ills that plague Mexico today.

They also spoke in detail about politics, indicating that there lies the importance of participation, since it is the driving force of human activity and it needs redemption more than anything else.

They remarked that politics should rise above vested interests, partisan concerns, intervention and exploitation of the people, above personal or group ideologies, and especially above the appetites of ambition.

When asked about the well-worn issue of bishops in a certain state meeting with national and international political figures, the Church officials stated that it is a product of the political immaturity of the Mexican people.

Growth is needed in this area, they said. We need civic and political maturity, because that immaturity has become infantilism, which in turn leads to all kinds of misunderstandings with the clergy. The clergy does not support any political party in any way.

Other points touched upon included the educational problem and the closing of some private schools. The clergymen expressed the opinion that this key issue in Mexico is also influenced by economic problems.

But they believe that the authorities should enforce the freedom of education not to educate elites, but to educate the people. They explained that more and more learning centers should be built, and above all, they stated that people who want to become educated should be free to do so on their own.

Finally, they discussed the conclusions of the legislative process that the nation's bishops undertook during the course of this week. It was noted that the Canon Law Code Reforms involve many modifications designed to give laypersons greater freedom and to clarify the tasks of members of the Church.

Therefore it will now be possible for a layperson who is trained for the task to perform a marriage ceremony in towns that are difficult to reach or where there are no priests.

It was stated that in this new stage in the Church, regulations will not extend beyond the needs of the common good, so laypersons will be given more freedom, appealing at all times to their sense of responsibility.

"Young people are demanding more participation, more responsibility. Laws will be established only where they are needed," they concluded.

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## INSUFFICIENCY OF MINIMUM DAILY SALARY LEVELS ARGUED

Workers Affected Number 12 Million

Mexico City PROCESO in Spanish 21 Nov 83 No 368 pp 6, 9-11

[Article by Salvador Corro]

[Text] Like the circus that returns every year trumpeting the same clowns and acrobats, the setting of new minimum wages revives the ever louder demands of labor leaders for truly fair, adequate pay in keeping with the provisions of the constitution.

And like every year, the performance will end bitterly.

Once the words have faded away, the promises have been forgotten and the discussions have concluded, the workers will have been defeated once again.

Things are even worse now, because runaway inflation has made an adequate minimum wage impossible, and the gap has widened.

"There are not even any criteria for determining the peso amount of the constitutional minimum wage," says Faustino Chena Perez, labor's representative to the National Commission on Minimum Wages (CNSM).

He cites the last three adjustments of the minimum wage and concludes that they hurt rather than benefited the workers. "Each time," he says, "buying power declined; there was more of a gap between minimum wages and contractual wages, and the possibility of achieving a single wage grew dimmer."

While the encirclement of the workers grows tighter, their leaders raise their voices with greater enmity, although their words apparently have less and less effect. It is becoming increasingly difficult for them to put a pretty face on the crisis, which strikes hardest at the country's 12 million minimum-wage workers. A paragraph in the document approved by the Labor Congress last week (and which will be submitted to the commission soon) summarizes the current situation thus:

"The organized labor movement of course recognizes that the country is in the midst of a deep economic crisis. But this does not justify the partiality of the economic measures that have been imposed, because it is quite clear that so far the government has favored mainly business with incentives and privileges, while the workers struggle amid true poverty and despair."

But the proposals and demands of the Labor Congress have been of little practical use. Even though official negotiations have not yet begun in the commission, there are already signs that the so far only verbal harder line of labor leaders is going to come up against the even harder line of the administration and the employers.

#### PMT Study: 2,000 Pesos Needed

Mexico City PROCESO in Spanish 21 Nov 83 No 368 pp 7-9

[Text] Given Prices Today, the Current Minimum Wage Is a Joke

The 520-peso minimum wage in the Federal District covers only part of a family's basic needs, and it must often make unpleasant choices: food or clothes, the rent or home furnishings, amusements or the light and gas bill or school supplies and medicine. Meeting all these needs is out of the question, however.

According to a study conducted by the PMT [Mexican Workers Party], the head of a five-member family must earn 60,000 pesos a month (in other words, 2,000 pesos a day or five times the minimum wage stipulated for the metropolitan area) to meet all its needs.

The constitution states that minimum daily wages must be sufficient to meet a family's "normal" needs. Yet a rundown of daily expenses as of October 1983 (though not that strict about unit prices and the level of consumption) reveals that a worker's current pay cannot even buy the bare necessities: decent food and housing.

If a worker wants his family to live in a place with light and gas and to eat a kilo of meat a week and 2 kilos of tortillas and 1.5 liters of milk a day, plus 2 eggs per person a week, then he needs to earn an average of 1,018 pesos a day.

To cover other expenses (transportation, clothes, toilet articles, home furnishings, recreation, school supplies and medicine) he needs another 982 pesos a day, and this is enough only if the family buys as little as possible at the lowest prices.

The tables below, containing information compiled in the metropolitan area, show cash prices. We should bear in mind that many families are forced to buy on credit and earmark much of their income for rising interest payments.

Note: The unit prices include the value added tax, when applicable.  
The bus fare in the Federal District is 3 pesos and 18 pesos in the State of Mexico (metropolitan area); we therefore chose 12 pesos as a representative fare.

Table 1. The Minimum Wage That a Head of Family Must Earn in Accordance With Article 123 of the Constitution

<u>Item</u>	<u>Unit Price</u> <u>October 1983</u>	<u>Consumption</u>	<u>Daily Outlay</u> <u>October 1983</u>
Housing			
Rent	10,500.00	Monthly	350.00
Light	750.00	Bimonthly	12.50
Gas	309.00	Monthly	10.30
		Total	372.80
Food			
Pork	420.00	Once a week	60.00
Beef	420.00	Twice a week	120.00
Fish	250.00	Once a week	35.71
Milk	45.00	1.5 liters a day	67.50
Eggs	110.00	2 a week	31.42
Bananas	30.00	2 a week	8.57
Oranges	36.00	6 a week	30.85
Chile pepper	100.00	$\frac{1}{4}$ a week	3.57
Carrots	40.00	$1\frac{1}{2}$ a week	8.57
Green tomatoes	40.00	1 a week	5.71
Red tomatoes	50.00	2 a week	14.28
White potatoes	50.00	1 a week	7.14
Onions	30.00	1 a week	4.28
Rice	80.00	1 a week	11.42
Ground Coffee	278.00	1 a week	39.71
Beans	38.00	3 a week	16.28
Salt	16.00	$\frac{1}{2}$ a week	1.14
Sugar	30.00	$\frac{1}{2}$ a day	15.00
White bread	2.00	5 a day	10.00
Sweet bread	10.00	5 a day	10.00
Tortillas	15.50	2 a day	31.00
Pasta for soup	100.00	3 a week	42.85
Cooking oil	124.00	$\frac{1}{4}$ a day	31.00
		Total	646.00
		Subtotal	1,018.80
Transportation			
Worker			
Subway (ticket)	1.00	12 a week	1.71
Minibus (fare)	30.00	12 a week	52.42
Wife			
Minibus (fare)	30.00	2 a week	7.34
Older son			
Subway (ticket)	1.00	10 a week	1.42
Bus (fare)	12.00	10 a week	17.14
		Total	79.03
		Subtotal	1,097.83

# Clothing

## Worker

Shoes	2,400.00	2 pair a year	13.15
Socks	144.00	1 pair a month	4.73
Pants	1,750.00	4 pair a year	19.17
Underpants	194.00	6 pair a year	3.18
Undershirts	257.00	6 a year	4.22
Shirts	1,464.00	6 a year	24.06
Jacket	2,050.00	1 a year	8.35

## Wife

Dress	2,470.00	6 a year	40.60
Blouse	1,160.00	6 a year	19.06
Brassiere	395.00	6 a year	6.49
Panties	260.00	6 a year	4.27
Stockings	120.00	18 a year	5.91
Shoes	2,000.00	2 pair a year	10.95
Sweater	1,555.00	2 a year	8.52
Overcoat	5,040.00	1 every 3 years	4.60

Total 123.34

Subtotal 298.03

## Older son

Shoes	1,647.00	3 pair a year	13.53
Socks	140.00	18 pair a year	6.90
Pants	1,520.00	6 pair a year	24.98
Underpants	198.00	1 pair a month	6.50
Tank tops	324.00	1 pair a month	10.64
Shirts	970.00	4 a year	10.63
Sweater	1,150.00	1 a year	3.15

Total 76.33

Subtotal 374.36

## Daughter

Blouse	1,080.00	6 a year	17.75
Skirt	1,680.00	4 a year	18.41
Dress	1,765.00	3 a year	14.50
Slip	540.00	2 a year	2.95
Panties	175.00	8 a year	3.83
Stockings	150.00	1 pair a month	4.93
Shoes	1,810.00	4 pair a year	19.83
Sweater	1,300.00	1 a year	3.56

Total 85.76

Subtotal 1,460.12

## Younger son

Shoes	275.00	4 pair a year	13.97
Socks	118.00	1 pair a month	3.87
Underpants	120.00	1 pair a month	3.94
Pants	900.00	6 pair a year	14.79
Tank tops	230.00	1 pair a month	7.56
Sweater	950.00	6 a year	5.20
Shirts	670.00	6 a year	11.01

Total 60.34

Subtotal 520.46

Household Linens			
Sheets	915.00	15 a year	40.06
Bedspreads	1,491.00	4 a year	16.34
Towels	470.00	9 a year	11.50
Pillowcases	305.00	9 a year	7.52
Blankets	1,890.00	6 every 3 years	10.35
Pillows	410.00	6 every 3 years	2.24
		Total	88.01
		Subtotal	608.47

Toilet articles and household items

Bath soap	31.00	4 a week	17.71
Detergent	125.00	2 a week	35.71
Crean and grease	130.00	2 a month	8.66
Haircut	205.00	2 a month	13.66
Brooms	225.00	1 every 2 months	3.75
Bleach	32.00	1 a month	4.57
Pails	240.00	6 a year	3.94
Lightbulbs	44.00	2 a month	2.93
Razor blades	7.00	2 a week	2.00
Toothbrush	90.00	1 a month	2.95
Toothpaste	168.00	2 a month	11.20
Combs	25.00	2 a month	1.66
Mop and brush	65.00	1 a month	2.16
Sanitary napkins	145.00	2 a month	9.66
Toilet paper	27.00	3 a week	11.57
Needle and thread	85.00	1 every 3 months	0.94
		Total	136.57
		Subtotal	745.04

Furniture

Double bed	12,485.00	2 every 5 years	13.68
Single bed	9,445.00	3 every 5 years	15.52
Clothes closet	10,395.00	1 every 5 years	5.69
Dining room set	13,825.00	1 every 5 years	5.69
Gas stove	16,555.00	1 every 5 years	9.07
Cupboard	6,175.00	1 every 5 years	3.38
Casseroles	455.00	3 a year	3.73
Dishes	3,225.00	1 set a year	8.83
Flatware	2,155.00	a set a year	5.90
Glasses	50.00	12 a year	1.64
		Total	75.01
		Subtotal	1,820.05

Entertainment

Movies or an outing	888.00	Once a week	126.85
Newspaper	30.00	6 a week	25.71
Sunday newspaper	40.00	Once a week	5.71
		Total	158.27
		Subtotal	1,978.32

School supplies			
Pencils	10.00	60 a year	1.64
Notebooks	55.00	25 a year	3.76
Miscellaneous	3,358.00	Once a year	9.20
		Total	14.60
		Subtotal	1,992.92
Medicine			
First-aid kit	2,584.20	1 a year	7.08
		Grand total	2,000.00
		Minimum sufficient wage	2,000.00

Table 2. Aggregate Data From Study on Minimum Wage in Mexico City

Item	Unit Price October 1983	Percentage of Wage	Increase (%) 10/82-11/83	Increase (Bank of Mexico data)
Housing				
Rent	350.00	17.50	62.79	85.5
Light	12.50	0.63	87.41	
Gas	10.30	0.52	26.23	
Food	646.00	32.30	79.86	70.5
Transportation	79.03	3.95	82.01	126.0
Clothing	510.64	25.53	86.43	87.0
Worker	76.86		85.29	
Wife	123.34		81.03	
Older son	76.33		94.37	
Daughter	85.76		76.24	
Younger son	60.34		88.91	
Linens	88.01		98.08	
Toilet articles	136.57	6.83	108.85	
Furniture	75.01	3.75	99.22	85.0
Entertainment	158.27	7.91	97.81	70.0
School supplies	14.60	0.73	130.64	
Medicine chest	7.08	0.35	63.51	80.0
Total	2,000.00	100.00	81.82	

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CSO: 3248/315

## TENSION RISES BETWEEN ARUBA, CENTRAL GOVERNMENT

## Money Transfer to Stop

Rotterdam NRC HANDELSBLAD in Dutch 22 Dec 83 p 3

[Article: "Aruba Stops Transferring Money to the Antilles"]

[Text] Willemstad, 22 Dec--Aruba decided not to transfer any more money to the central government of the Antilles. That is what Betico Croes, leader of the Aruban majority party MEP [People's Electoral Movement], announced last night. Stopping the transfer of money is a reaction to the refusal of the Antillean Martina-cabinet to resign and thus to give the MEP the opportunity to join the government. The Martina-cabinet is not against the MEP joining but does not first want to resign because this would be bad for stability on the Antilles.

Croes announced that there "would be some sort of state of war where a head-on attack on the Antillen government will take place at all levels." He said that a round table conference should be convened without delay to get Aruba out of its present situation, "caused by the bad policy of this government" and "the unwillingness to settle affairs without delay and in the interest of the Antilles."

If necessary, separate status--to go into effect on January 1, 1986--and the independence of Aruba will be speeded up, according to Croes. Yesterday the Antillean coalition parties of the Martina-cabinet decided not to accept the demand of the MEP to first resign before talking about the entry of that party.

Last week Prime Minister Don Martina held talks with Croes--without any result--on setting up a broader cabinet.

The Antillean Government consists of Martina's social-democratic MAN [Movement for a New Antilles] and the NVP [National People's Party] (both from Curacao), the DP [Democratic Party] from the Windward Islands as well as Bonaire's UBP [Democratic Party Bonaire] and Aruba's PPA [Arubean Patriotic Party]. The cabinet has the support of 12 of the 22 state seats. Already since the elections of April there has been talk of MEP entry into the Antillean Government. At those elections Croes' party increased its absolute majority on Aruba.

Several months later the rival AVP [Aruban People's Party] of Aruba resigned from the cabinet because of the unfavorable election results, to make place for the MEP. Now it seems that the MEP will definitely not join the cabinet. (ANP [General Netherlands Press Agency])

#### Croes Attacks Martina

Willemstad AMIGOE in Dutch 22 Dec 83 p 5

[Article: "Betico Croes: War with Central Government; RTC-Talks with the Hague and No Transfer of Money"]

[Text] Oranjestad--During a press conference yesterday in restaurant Dragon Phoenix MEP [People's Electoral Movement]-leader Betico Croes said on behalf of his party that, because the ultimatum has run out and the Martina government did not comply with his request to put affairs in order, there will be no more dialogues with this central government at any level. Instead, there will be some state of war where the government will be attacked head-on at all levels. Among others, the Aruban Administrative Board will stop the automatic transfer made by the commander, and the Aruban people will be motivated in such a manner that they will act radically against this government.

One of the first demands of the very angry MEP leader is that a new round table conference should be convened without delay to get Aruba out of this situation which is caused by the bad policy of this government--that is if one can speak of a policy--and the unwillingness to settle affairs without delay in the interest of the Antilles. Mr Croes told the press that he wants to speed up separate status and if necessary Aruba's independence.

Mr Croes called it a ridiculous argument that it would harm the stability and peace of the Antilles if the cabinet were to resign. For, the present government is worse than a government having resigned. The MEP leader definitely rejects the government's proposal made to the MEP to continue talks on possible solutions. In the States the MEP will start a head-on attack on the government's bad policy, with interpellations on various subjects where this government has made blunders such as yacht harbors, Landsradio [Radio for the country], Bovenwinden [windward areas], etc; further, also with debates on financial-economic measures, the discussion of the 1983 budget which will probably not be discussed until March of 1984, and many other matters.

Under these circumstances the MEP will not obey the commander to transfer money automatically. It will be made clear to the people that in all respects losses are being suffered because of the actions of this government. Mr Croes said he was convinced that the people will not permit that Aruba will collapse with the help of Benny Nisbet. Mr Croes expected that during the coming holidays the people will not have any peace of mind when they look at all those problems caused by the bad policy of the government.



For Mr Croes the final step is to have a meeting with the Netherlands concerning the RTC [Roundtable Conference]. No more meetings on this will take place with the Central Government. Mr Croes stated that Ministers Ralph Richardson, Gilbert de Paula and others can stay home because on Aruba they can no longer count on any type of cooperation at any level. However, there will be dialogues with several authorities on Aruba such as the unions, trade and others, in order to strengthen Aruba's position for a possible meeting with the Netherlands. Mr Croes knows that speeding up separate status will cause some problems (such as the police, monetary affairs) but it is better to start now already than later on when it would definitely be too late because of the bad policy of the present government.

12433

SCO: 3214/110

## FRETRA SEES SANDINISTS AS OBSTACLE TO PEACE PROCESS

Managua LA PRENSA in Spanish 5 Dec 83 p 12

[Text] The Social Christian Workers Front [FRETRA] issued a press communique on 28 November pointing out that many laws must be abolished in Nicaragua before having a dialogue to secure a stable and lasting peace.

It points out that the FSLN [Sandinist National Liberation Front] must provide a real national opening and improve working conditions, housing, trade-union liberty, freedom of the press, and the supply of food and medicines.

It asserts that the Contadora Group will not be able to bring about the expected negotiations as long as the Sandinist government does not assume the role of negotiator as the administrator of the fortunes of Nicaragua.

Following is the text of the FRETRA communique:

Social Christian Workers Front (FRETRA S.C.): Communique

To the Nicaraguan people specifically and to the workers in general, including the countries and workers of the world:

The FRETRA S.C. acknowledges and is grateful to the governments that made possible the creation and rise of the valuable Contadora organization as a genuine defender of democracy and, therefore, of the governments and countries that are inspired by such a worthy principle.

The FRETRA S.C. considers that while it is true there are governments and countries that closely adhere to everything that the Contadora Group has propounded since its inception to date, reality on the other hand also gives rise to serious thoughts about the last session and, in particular, what was pointed out as "recommendations" to the government of Nicaragua.

The FRETRA S.C. considers that the Sandinist government has not given any indication of being actually interested in solving its problem, which is the administration of the country, for as a positive step at this juncture it does not make sense to try to project a redeeming image before the world public opinion when not a single one of the more than 2,000 decrees which have been the basis of its administration in the last 4 years has been abolished.

The FRETRA S.C. considers that at this point, one cannot talk to the world about peace when there is a scarcity of jobs, housing, medicines and staple foods; one cannot talk of liberty when nobody is secure even in their own homes. There is no freedom of expression or action by trade-union and political organizations; those detained in the past few days serve as evidence against the interests of the state, and the daily issues of the newspaper LA PRENSA attest the same on account of the censorship.

The FRETRA S.C. considers that the Contadora Group will not have the expected success with the negotiations as long as the Sandinist government does not show that it is giving serious thought to its role of negotiator as the administrator of the fortunes of Nicaragua.

For that purpose, the Sandinist government must abolish each and every one of the existing repressive decrees as the first step, create a climate of authentic trade-union liberty, freedom of the press, respect and practicability for the exercise of the provisions of the Political Parties Law, and freedom for each and every one of the political prisoners nationwide, actions which could show that it is interested in promoting a dialogue on national pacification that will pave the way for the prevalence of peace in the Central American region.

Issued in Managua on the 28th day of the month of November 1983. Executive Committee, Social Christian Workers Front (FRETRA S.C.)

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CS0: 3248/262

## INSSBI MINISTER MEETS WITH INTERNATIONAL CHURCH GROUPS

Managua BARRICADA in Spanish 2 Dec 83 p 4

[Text] INSSBI [Nicaraguan Institute of Social Security and Welfare] Minister Reynaldo Antonio Tefel yesterday received in his office a religious delegation of the United Church of Denmark, a group of representatives of the World Council of Churches based in New York, and the chairman of the French Committee of Solidarity with Nicaragua.

Minister Tefel discoursed at length about the current situation of the revolution, especially in the north of the country, where the population is having difficulties because of the aggression of the Somozist criminals in the pay of the CIA.

In general terms, the INSSBI director informed the religious delegates about the need of our people and the revolutionary government to have economic, moral and political solidarity increased. Tefel also referred to the progress of the revolution in the realm of social security and welfare, underscoring the fact that only a small portion of the population received such benefits before the triumph of the revolution.

For their part, the members of the U.S. religious delegation referred to the efforts they have been making, and will increasingly continue to make, to influence President Reagan to alter his warlike policy toward Nicaragua.

The delegates of the United Church of Denmark said that their government is fully opposed to the aggressive policy of the Reagan government.

The chairman of the French Committee of Solidarity with Nicaragua stated that his presence in the country was intended as a show of support and solidarity with the revolution in the face of the threat of a U.S. invasion of Nicaragua.

Action Plan of the National Emergency Committee

As chairman of the National Emergency Committee, Minister Tefel informed BARRICADA about the meeting of the organization which will discuss the action plan to provide immediate attention to the areas affected by the counterrevolutionary activity--North Zelaya, Pantasma and the southern border.

As to the accomplishments of the administration of the National Emergency Committee to date, the INSSBI minister mentioned the aid to North Zelaya and Rio San Juan on the basis of donations. It has also managed to increase the interest and awareness about the Nicaraguan situation among international organizations, especially the UNDR0, which is a special agency of the UN that aids people displaced by disasters such as is the case in Corinto and the border settlements, which are the victims of the aggression.

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CS0: 3248/262

## SOVIET ECONOMY, PRICE STABILITY EXTOLLED

Managua EL NUEVO DIARIO in Spanish 3 Dec 83 p 3

[Article: "No Undernourished Children or Unemployment in the USSR"]

[Text] None of the highly developed countries, much less the United States of America, where imperialism has reached the zenith of dehumanization, is capable of providing its people the conditions to improve their living standard.

With infinite cruelty, imperialism has forced its peoples to live under such degrading conditions as the growing undernourishment of children--who add up to millions--the dearth of housing, an unemployed population of millions, the lack of medicines and medical attention, and a constant rate of inflation that is particularly harsh for the workers--laborers, farmers, state and sundry service employees, and so forth.

These considerations bring out the contrast that, for example, while an acute economic crisis in the United States raises prices every day and the dollar loses its purchasing power, the situation is completely reversed in the Soviet Union.

Without implying that the Soviet people live in a paradise, that country nonetheless is not in the painful situation that 30 million blacks and that many more Hispanics and other ethnic groups endure in the United States.

The Soviet people are not afflicted by the acute crisis that for years has shaken the highly developed countries where, we repeat, prices keep going up and up. On the other hand, let us see what is happening in the USSR according to a report put out by the APN news service. The report reads:

New Drop of Retail Prices in the USSR

As of 1 December 1983, retail prices of many consumer goods have been reduced in the Soviet Union. At present, carpets cost 20 percent less; astrakhan, marten, sable and mink furs, 26-30 percent less; color television sets (except for some brands), 17 percent less; radio sets, 13 percent less; and photographic and moving-picture cameras, as well as quartz watches, 25-30 percent less.

The total reduction in retail prices represented 2.6 billion rubles annually (a ruble is equivalent to \$1.40 according to the official rate of exchange). This is the second price reduction in 1983--the first took place on 25 April and represented 3 billion rubles annually. Therefore, Soviet consumers will save 5.6 billion rubles as a result of the reduction in prices, which will enable them to purchase other products. Even in the USSR, whose population exceeds 270 million inhabitants, this is a good rise in family income.

At present, it is difficult to find a country in the world where the prices of goods and services are as stable as in the USSR. In 28 years, i.e., since 1955, prices in the Soviet Union rose only 9 rubles [sic] while the wages of workers and employees increased two and a half times, and the income of peasants more than three times.

The social policy of the state consists in the preservation of price stability and the constant growth of the income of the people. Such a policy is aimed at raising the material and cultural level of the population every year. It is worthwhile to recall that not a single instance of reduction of the real income of the people has been observed since 1945, i.e., after the end of World War II. Food prices were not even raised in the USSR during the 4-year period (1979-82) of poor harvests in our country due to the historically unprecedented anomalous climatic conditions. The Soviet state managed to avoid a rise in prices by garnering all reserves and increasing the import of foodstuffs.

The pricing system in the USSR differs from that of the free market. The state sets the prices of the majority of items. It does this taking into account the cost of the product, the supply and the demand, and its social significance. For that reason, prices of staple foodstuffs and of the more common consumer goods are very stable in the USSR--the prices of bread and flour products, for example, have not changed since 1954; and of meat and milk, since 1962. From 1948 on, there have been no price changes in electricity, heating, and all kinds of public transportation (except by taxi).

A great effort is being made in the USSR at this time to improve the pricing system. For example, new products coming to market could temporarily have higher prices than the prevailing ones. This is a material incentive for enterprises to continually improve the quality of their products, thus boosting their demand.

It should be pointed out that, in general, 1983 was a successful year for the Soviet economy. The tempo of economic development was considerably increased, and for the first time in our history, 90 percent of the rise in industrial production is due to the increase in work productivity. The situation was also being improved in agriculture--the harvest of many crops has been rather good, and cattle raising is being dynamically developed. The Soviets are working with greater efficiency in 1983. The reduction in prices, the second one this year, convincingly demonstrates that the Soviet economy is going through an upswing.

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CS0: 3248/262

## PROGRESS MADE IN GRAIN STORAGE, FOREIGN DONATIONS NOTED

Managua EL NUEVO DIARIO in Spanish 27 Dec 83 p 10

[Text] Despite the general economic problems with which the country is having to cope as a result of aggressions, the Ministry of Foreign Trade has made some important gains in defense of the consumer in 1983, without diminishing its inducements to the producers.

An official summary follows:

## MASA Project

Inauguration of the MASA [Improvement and Enlargement of Storage Systems] project, which is being implemented in Regions 2, 3, 4 and 5, at a total cost of \$40 million (400 million cordobas), \$10 million (100 million cordobas) of which have been received as a loan from the governments of France and Spain.

This project will raise our storage capacity to over 2 million quintals by the end of 1984, an increase of 50 percent over our current storage capacity.

The first phase of the MASA project has already been completed this year with the construction of two DAR's [Regional Agricultural Storage Facility(ies)]: One in Masaya and the other in Santo Tomas, Chontales. The Masaya DAR has been named after Comandante Camilo Ortega, apostle of Sandinist unity, and will be inaugurated in his memory on 26 February 1984.

The remaining phases will be built in Los Brasiles (Managua), Carazo and in Rio Grande (Leon). The latter project includes the installation of a rice thresher with a processing capacity of 8 tons per hour.

## Food Donations

The Ministry of Domestic Trade, through the ENABAS [National Enterprise for Staple Foods], also received donations totaling thousands of tons of wheat, flour and corn. These were solidary donations from different countries of the world, symbolizing brotherhood and a repudiation of the "yanqui" government's policy of aggression and blackmail. As regards wheat, our people received a total donation of 62,059 metric tons (some 13 million quintals) from origins as follows:



<u>Country</u>	<u>Quantity (metric tons)</u>
Soviet Union	22,059
Canada	11,000
Bulgaria	10,000
Sweden	10,000
Austria	9,000
<u>Total</u>	<u>62,059</u>

Corn flour [as published] donations totaled 17,462 metric tons (some 376,000 quintals), as follows:

<u>Country</u>	<u>Quantity (metric tons)</u>
France	7,300 Flour
Yugoslavia	300 Corn flour
Spain	200 Corn
Democratic People's Republic of Korea	200 Corn
Argentina	9,462 Corn
<u>Total</u>	<u>17,462</u>

#### Construction of People's General Stores

Ten new People's General Stores were built and put into operation to serve the general public, at a total cost of 4.5 million cordobas. Stores were installed in Managua in the following locations: Barrio La Primavera, San Jose de la Canada (formerly El Nicarito), the district of San Isidro Libertador, Sabana-grande and San Francisco Libre.

The remaining stores opened in: Somotillo y Cinco Tinos (Chinandega), Kikra Hill, Puerto Esperanza y San Miguelito (Costa Atlantica). As of year-end 1983, the number of People's General Stores throughout the country now totals 105.

#### Reorganization of MICOIN

In 1983, MICOIN [Ministry of Domestic Trade] underwent a reorganization that divided it up into three new vice ministries: Vice Ministry of Planning, to handle matters pertaining to economic studies; Vice Ministry of Wholesale Trade, to deal with matters concerning the state-owned wholesale enterprise sector; Vice Ministry of Retail Trade, to deal with all retail trade matters and ally itself with the organizations of the masses. Also included is a Vice Ministry at Large, which will handle retail trade matters in the CORCOP [People's Commercial Corporation] sector.

#### Nationalization of Wholesale Distribution of Four Products

The wholesale distribution of four staple products--flour, cooking oil, soap and toilet paper--was nationalized.

## CTN FACTION MAY TALK WITH SANDINIST CST

Managua BARRICADA in Spanish 16 Dec 83 p 12

[Text] Carlos Huembes is not authorized to speak in the name of the workers, because he is nothing more than a figurehead of the Coordinadora Sacasa faction, said Antonio Jarquin, secretary general of the self-styled "Autonomous" CTN [Central Organization of Nicaraguan Workers], yesterday, in rejecting the most recent statements by Huembes, who heads another CTN group as a result of the split within the latter organization.

Jarquin also criticized, together with other leaders, the fact that some of those in the top leadership of the Huembes faction had held a press conference at the Hotel Camino Real in Managua.

"Huembes represents no social force whatever," said Jarquin, adding that "the Autonomous CTN represents the majority." In this regard, he asserted that it has 67 labor organizations in urban and rural areas (15,000 members, according to him).

However, early this year, a survey published in BARRICADA indicated that in Nicaragua the CTN (both factions included) had only 19 unions, of which 9 belonged to the Huembes group and 10 to the Jarquin group; in any case, a goodly number of these unions have left the CTN during 1983, precisely because of this process of deterioration and internal division within the latter.

Jarquin put the blame for this massive lack of turnout for pressure actions by the organizations of the masses on "repression by the authorities" and on "competition" from the Huembes group, which, in the last analysis, is the one that has the backing of the CLAT [Latin American Central Organization of Workers].

## Regarding the Decrees

Jarquin's CTN stated its position yesterday regarding the most recent decrees issued by the Revolutionary Government, with which it is largely in agreement. Nevertheless, it questioned the Patriotic Military Service Law, and proposed the enactment of a Voluntary Military Service Law (?).

They also demanded greater worker participation in the in-house dialogue process; participation in the upper management of enterprises, "as if they owned shares of its capital."

They spoke out in disagreement with an amnesty for the guards who murdered the Nicaraguan people, since, according to Jarquin, "if we propose this to our rank and file, they will leave us."

He acknowledged that his group does not have the support of the CLAT and is not affiliated with any other union organization in the country, which has prompted some journalists to comment that the Autonomous CTN "is in a no-man's-land."

With regard to the decree that announces the opening of the electoral process, the CTN stated it is not in agreement with some of the views expressed by rightist political groups as to how the elections should be conducted; and Jarquin, who affirmed his organization is not identified with any political party, did not discard the possibility that his group might itself become a political party (?).

He severely criticized the top management of LA PRENSA S.A., because "they demand freedom of expression and indulge in self-restraint" where the activities of Jarquin's CTN are concerned, giving front-page treatment "only to those of Huembes."

Jarquin announced he will support the CSN [National Trade Union Coordinating Board] in its effort to organize a world event for peace and disarmament to be held in Managua around the beginning of 1984, and he did not play down the possibility of his group's "joining the CSN some time in the future."

In this regard he emphasized the overtures that have been made to his group by the leaders of the CST [Sandinist Central Organization of Workers] with a view to initiating talks and addressing point by point the existing differences between the two organizations.

He said his group's mere participation in this worldwide trade-union event is one of its ways of expressing its rejection of the threats of intervention and of intervention itself in Nicaragua. "Those who demand an amnesty for the guards do it because they lack a social base," said Jarquin, citing the existence of the "Granjas de Regimen Abierto" in the country. "For, the guilty must pay the price," Jarquin emphasized.

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CSO: 3248/306

## MICOIN CALLED IMPOTENT IN WAKE OF CHRISTMAS TOY SHORTAGE

Managua BARRICADA in Spanish 17 Dec 83 p 3

[Commentary by Gladys Zalaquett]

[Text] The irregularities surrounding the distribution of toys require that various problems be addressed. The statement by the vice minister of MICOIN [Ministry of Domestic Trade] published yesterday in BARRICADA could be considered as a virtual acknowledgement of the impotence of his institution to carry out the functions the Revolutionary Government has assigned to it in defense of the interests of the consumer.

We take aim first at this fundamental nub of the problem because, as overseer of the country's domestic trade sector--that is, as the driving force behind the distribution policies, around which it must provide the leadership in coordinating the action and participation of our organized people--MICOIN is the bearer of a responsibility that it cannot sidestep.

To establish a precedent such as the one that could result from the flock of serious errors committed in the distribution of the toys that were imported under a major outlay by the state would amount to accepting the principle that a ministry of Revolutionary Nicaragua could renege on its responsibility for defending the interests of the masses.

What we are dealing with was not a lack of dolls, a product shortage such as occurs in the case of some basic grains or sugar during months in the year when production falls off.

What occurred in this case was that toys representing hundreds of thousands of dollars invested under the priority accorded by the Revolution to children, even in the midst of our most serious economic difficulties, were, for lack of aggressiveness on the part of a state institution, converted into fodder for speculation, to be hoarded for profit and manipulated in accordance with loathsome tendencies and habits that have survived the former corrupt society we buried 4 and 1/2 years ago.

The above does not exonerate the mass organizations involved, especially the CST [Sandinist Central Organization of Workers] and UNE [National Union of Employees], from having lacked the forcefulness to channel distribution via the trade unions, as had been planned.

The manifest examples of opportunism, the "under-the-counter" sale of toys, the fact that employees of a state distribution enterprise were able to operate as merchants who enrich themselves at the expense of other workers and of the children of the combatants who ensure our freedom and our joy, the abusive conduct of government officials who usurped a place in the forefront that had been expressly reserved by the Revolution for the direct producers and defenders of the nation, all require the taking of energetic action against those involved.

It is imperative to avoid a precedent that would have serious repercussions on the distribution of other basic products.

And in this effort, the primary responsibility falls on MICOIN, which must program concrete actions to bring about the participation of the mass organizations involved in ensuring a distribution through established channels and a rigorous control over the operation of the enterprise and over the distribution system. This control must be tightened during periods such as December and, if necessary, augmented through the use of the most qualified officials in the institutional apparatus.

Aggressive participation by the CST and the UNE in the organization of distribution via trade union channels, and in the struggle against even the slightest trace of corruption, must be the fundamental approach to dealing with situations like the one we are discussing.

On this front, the defense of the consumer and of the people's economy are specific forms of the defense of the nation. We cannot afford to stand by with folded arms. And immediate action is called for to prevent a recurrence of the problem with the \$100,000 of toys that are about to arrive.

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CSO: 3248/306

## BRIEFS

HAVANA REPORTS DISAGREEMENT ON SQUATTERS--Peruvian Police have dislodged hundreds of squatters. These people were squatting on these lands due to the serious housing shortage in Peru and the lack of funds with which to build private dwellings. Rightwing sectors have attempted to blame the recently elected leftist mayors for the squatting. The National Association of Industries, a reactionary organization, the rightwing media, and some government officials have unleashed a campaign to blame the leftist mayors for the situation, stating that they are the sole culprits because they, the mayors, were the ones who issued building permits to these dispossessed groups, enabling them to take possession of vacant lots near cities. Alfonso Barrantes, president of the Unified Leftist Coalition and the socialist mayor of Lima, has said that he is not involved in the illegal appropriations, adding that this is a rightwing scheme designed to discredit the Peruvian left. [Text] [PA152221 Havana International Service in Quechua 2200 GMT 10 Jan 84]

HAVANA ON SHINING PATH ACTION--A group of heavily-armed men have dynamited an electrical power pylon in Ica Department. Some witnesses of the sabotage have said that the action was carried out by the so-called Shining Path organization. It was reported in Ayacucho that seven attacks on government forces have taken place. One Civil Guard soldier was wounded in the clashes, in which police wounded one student. [Text] [PA152103 Havana International Service in Quechua 2200 GMT 12 Jan 84]

HAVANA ON MINERS' PROTESTS--Peruvian mine workers continue staging protests in demand of social benefits. In Huancavelica, 150 miners of the (Recuperada) mine, accompanied by 30 women and 20 children, are on their way to Lima to demand salary increases and the fulfillment of collective bargaining agreements. A similar action was taken by miners of the Chapi Mine, who with their wives and children, are marching toward Arequipa to demand the reactivation of the mining center there and other rights. The Cata Acari Mine is still closed, although its workers have been requesting for more than a year in Lima that the mine be reopened. In addition to these actions taken by Peruvian mine workers, 27,000 banking federation employees staged a 3-hour stoppage in defense of collective agreements that the banks have not complied with. Other dispatches from Lima report that journalist Abilio Arroyo, from EL DIARIO MARKA, denounced several military chiefs before the attorney general's office for their activities in the Ayacucho region. Arroyo reiterated that the constant threats against his safety are in reprisal for his having denounced acts of repression and crimes committed by military and police forces in Ayacucho. [Text] [PA150356 Havana International Service in Spanish 1600 GMT 14 Jan 84]

HAVANA ON TERRORIST ATTACK--Unidentified individuals have hurled six bombs at an army post in the city of Huancayo, Peru, 300 km east of Lima. Reports noted that the bombs landed on the officers' quarters at the 2nd Infantry Division. The number of victims was not specified. In Lima, Catholic Bishop Luis (Van Baren) labeled as murderers those who, using an economic model imposed by the IMF, condemn the people to a slow death and unemployment. (Van Baren), president of the Episcopal Commission for Social Action [Comision Episcopal de Accion Social], made this statement at a mass in memory of Janita Showyer, a nun who was shot to death a month ago when she was being held hostage by a group of prisoners who escaped from the Lurigancho Jail in Lima. [Text] [PA161554 Havana International Service in Spanish 0000 GMT 16 Jan 84]

HAVANA ON 1,500 MISSING PERSONS--The Peruvian newspaper OJO quotes legal sources saying that since 1981 1,500 persons have been reported as missing after their arrest on political grounds. The newspaper stresses that those disappearances have not yet been investigated. It says that every day there are long lines of people at the district attorney's office asking about missing relatives. The Lima Bar Association's Human Rights Commission has demanded guarantees that lawyers can practice in Ayacucho and other areas in the emergency zone recently decreed by the government. Interior Minister Luis Perco- vich has said in Lima that the Civil Guard was not responsible for the massacre of 35 peasants on 13 November in the district of Soco in Ayacucho. He was answering charges by several newspapers that Civil Guards committed the massacre. [Text] [PA170021 Havana International Service in Spanish 1800 GMT 16 Jan 84]

HAVANA ON POLICE, JUDICIAL ABUSES--The inhabitants of the Peruvian city of Juliaca have charged that Peruvian Investigative Police agents commit many abuses against the people of the area, under the pretext of fighting contraband. In support of the charge, the newspaper EL DIARIO MARKA has stated that the police take the merchandise they confiscate and blackmail merchants who have managed to introduce foreign products, especially products from Chile. The newspaper LA REPUBLICA has reported that the judicial branch has received charges regarding the unusual behavior of officials of the first tribunal of (Guanco), who acquitted eight drug traffickers and sentenced the police officer who arrested them to 10 years in prison. [Text] [PA171850 Havana International Service in Spanish 0000 GMT 17 Jan 84]

CSO: 3348/224

## BRIEFS

IRAN'S GENERATORS--KINGSTOWN, Sun., (Cana)--THE ST. VINCENT Electricity Service (Vinlec) has purchased two new generators which are expected in the island shortly before Christmas and would provide "dramatic improvement" in the company's electricity supply, which has been experiencing regular outages, the manager, Mr. Joel Huggins, has said here. Mr. Huggins said the generators were made in Britain for Iran, but that the order was cancelled at the last moment, and the Venlec had arranged to take them over and have them shipped to St. Vincent to arrive on the island the week before Christmas. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 5 Dec 83 p 19]

CSO: 3298/355



## TRADE, OTHER INDEXES POINT TO ECONOMIC DIFFICULTIES

## Trade Deficit

Port-of-Spain TRINIDAD GUARDIAN in English 5 Dec 83 p 1

[Text] LAST YEAR, Trinidad and Tobago recorded an adverse balance of trade amounting to \$1,501 million, according to the overseas trade report released by the Central Statistical Office.

Imports amounted to \$8,873 million, while total exports were \$7,372 million.

In 1981, imports totalled \$7,499 million, and exports \$9,026 million, reflecting a favourable balance of \$1,527 million.

The decline in the balance of visible trade during 1982, compared with the corresponding period in 1981, was mainly due to decreases in the exports of mineral fuels, lubricants and related materials to the sum of \$1,634 million; machinery and transport equipment \$90 million, and food and live animals, \$34 million.

However, there were increases of \$65 million in the exports of chemicals, manufactured goods, \$23 million; crude materials, \$11 million, and beverages and tobacco, \$8 million.

The rise in imports from 1981 to 1982 was attributed to increases of \$1,198 million in machinery and transport equipment; \$480 million in manufactured goods; \$70 million in food and live animals; \$66 million in beverages and tobacco. However, there was a decrease of \$509 million in mineral fuels, lubricants and related materials.

## Imports from CARICOM

Bridgetown BARBADOS ADVOCATE in English 6 Dec 83 p 1

[Text]

PORT-OF-SPAIN, Trinidad, Monday (CANA) — Trinidad and Tobago which recently introduced exchange control measures to restrict imports, said yesterday it had imported goods valued (TT) \$410 million from Caribbean Community (CARICOM) countries in 1982.

The Central Statistical Office of the Ministry of Finance said domestic exports to CARICOM countries for the same period amounted to \$657 million.

"This reflected an increase of 34 per cent in imports and a decrease of eight per cent in domestic exports for January to December, 1982 over the corresponding period in 1981," the CSO said in its bi-monthly overseas trade report.

Last October 7 government introduced new exchange control measures aimed at curbing the rapid outflow of foreign currency. This has slowed imports to a trickle and severely hampered the entry of goods from other CARICOM territories some of which have had to close manufacturing plants, mainly furniture and garments, and layoff workers.

The CSO said that domestic exports to CARICOM countries last year accounted for nine per cent of total domestic exports. Of total imports, however, five percent originated within the CARICOM trading bloc.

According to the CSO, Guyana absorbed 40 per cent of Trinidad and Tobago's exports of CARICOM countries, with Barbados taking 21 per cent and Jamaica 17 per cent.

Imports from CARICOM countries, excluding petroleum, amounted to \$408 million, while total exports were \$174 million, the CSO said.

#### Central Bank Report

Port-of-Spain TRINIDAD GUARDIAN in English 5 Dec 83 p 17

[Text] LOWER growth in gross domestic product, a decline in the petroleum sector plus uneven growth in the non-oil sector and an increase in the net domestic budget deficit, all contributed towards a gloomy reflection of the economy for 1982 as noted in the 1982 annual report of the Central Bank of Trinidad and Tobago.

The recently-released report for the period ended December 31, 1982, said in its summary of the country's economy that the growth of real GDP at 3.9 per cent in 1982 was much lower than the economic expansion experienced in 1979-1980 but nonetheless was an encouraging sign of the ability of the economy to adapt in a measured fashion to the recessionary condition persisting in the wider world economy.

The report said that the petroleum sector continued its decline evident since 1979 with crude petroleum production falling by seven per cent, the fourth consecutive year of decline.

According to the report, in recent years, the growth in real value added of the non-oil economy was strong enough to offset the decline in the petroleum sector.

"However the non-oil economy has itself been growing progressively more slowly because the stimulus of the domestic budget deficit has been moderated and in some years off set by rapidly rising expenditure on imports of goods and services," said the Central Bank's report.

It added that the latter constituted a significant leakage from the income stream. As a result of the slow-down of the growth in the non-oil economy, the overall growth of the economy also slowed over the past few years but moreso in 1981 and 1982, said the report.

Examining in detail the uneven growth in the non-oil sector, the report said that the goods-producing sectors performed poorly.

"Agriculture has experienced almost a decade of stagnation or decline due to the weak performance of export agriculture which has not been fully offset by the real gains made in some activities within domestic.

"Manufacturing, too, has declined in real terms over the last two years and the construction sector in 1982 failed to reproduce the strong growth which had characterised its performance up to 1981.

"The services sectors, particularly Government, finance and real estate and transport, storage and communication, which had contributed significantly to the buoyancy of the non-oil economy and the overall economy in recent years, also experienced lower real growth in 1982."

According to the Central Bank, despite the slower rate of growth of the domestic economy, the Government was able to sustain a much higher level of expenditure by drawing on fiscal surpluses accumulated during the years of economic boom.

Government's expenditure increased by 76.1 per cent in 1982 but its revenues declined by 0.4 per cent and an overall deficit of \$3,300 million emerged compared to the small surplus of \$176 million recorded for the previous year.

#### Bank Credit Up

The country's net domestic budget deficit increased by 89.2 per cent from \$2,481 million in 1981 to \$4,695 million last year.

The Central Bank noted that this deficit was larger than the balance of payments deficit of the private sector (the principal contractionary influence on bank reserves and the money supply) which increased by 22.1 per cent to \$3,994 million last year.

"There was, therefore, a significant expansionary impulse on the monetary base and the money supply resulting in an increase of 43.9 per cent (\$754 million) in M-1A currency plus demand deposits) and an increase of 36.7 per cent (\$1,987 million) in M-2 (M-1A plus time and savings deposits)."

The report stated that these increases were well about the rates of increase recorded during the boom years (1975-1980) but bank credit increased by 23.3 per cent exactly the same growth rate as in 1981.

## Drop in Reserves

Port-of-Spain TRINIDAD GUARDIAN in English 6 Dec 83 p 18

[Text]

THIS COUNTRY'S balance of payments recorded its first overall deficit since 1973 as its foreign exchange reserves declined by \$525 million in 1982, said the Central Bank's annual report to 1982.

This was due to a sharp reversal in the current account from a surplus of \$1,019.3 million in 1981 to a deficit of \$1,815.3 million in 1982.

"The capital account contributed a larger surplus than in 1981 but the increase was inadequate to offset the dramatic deterioration in the current account," the Central Bank said.

According to the report, the monetary and financial policy measures instituted by the Central Bank in earlier years — selective credit controls (1979) and the marginal reserve requirement (1980) continued in force throughout 1982.

These measures were designed to influence the allocation of bank credit between consumption and production and the overall expansion of credit and the money supply, said the report.

It added that the commercial bank had been unable to reduce incremental non-business credit to the 25 per cent guideline stipulated in the selective credit control measures.

"The share of these loans actually rose from 35.5 per cent in the fourth quarter of 1981 to 40.4 per cent in

the fourth quarter of 1982.

"The marginal reserve requirement has been reasonably effective in constraining credit expansion and the growth of the money since this measure resulted in the withdrawal of \$233.6 million from the banking system," the report pointed out.

The report also stated that the Central Bank's assets and liabilities declined by 9.9 per cent to \$7,245.7 million at December 31. This was due to a 12.3 per cent decrease in the Bank's external assets.

On the liabilities side, the 76.4 per cent (\$745.7 million) increase in commercial banks deposits could not offset the decline in other deposits, primarily Government deposits which fell by 36.9 per cent (\$2,040 million).

The Bank's income in 1982 was \$1,017.3 million, 14.7 per cent higher than in 1981.

Total expenditure of \$304 million was six per cent less than in 1981 to a fall in interest payments.

According to the report, the Central Bank's operating surplus amounted to \$713.3 million, 26.7 per cent higher than the previous year.

Total provisions amounted to \$340.4 million resulting in net surplus of \$372.9 million which was 59.8 per cent higher than in 1981.

The next surplus would be paid to Government's Consolidated Fund in accordance with the Central Bank Act, 1964, said the report.

MOHAMMED NOTES OIL REVENUE LOSS, NEED FOR FISCAL 'DIET'

Port-of-Spain TRINIDAD GUARDIAN in English 19 Dec 83 p 1

[Article by Jeff Hackett]

[Excerpts] THE COUNTRY lost some \$2 billion dollars in revenue this year because of the shortfall in petroleum revenues.

Kamaluddin Mohammed, Agriculture, Lands and Food Production Minister, told this to a large hushed audience at the first annual Christmas Dinner of the Hillview College Old Boys Association, Tunapuna, on Saturday night.

Mr. Mohammed, guest speaker at the function, who based his address on the need for the society to tighten its belt in the new dispensation of falling Government revenues, said that the Demas Task Force Report which was still being considered by the National Economic Planning Commission, would be presented to Parliament after recommendations were hammered out.

Turning to the petroleum industry, the Minister, who acted as Prime Minister last month when Prime Minister George Chambers was attending the Commonwealth Heads of Government Ministers Conference in India, said that the fortunes of the industry had changed with there being a decrease in the international price as well as a drop in production here.

He revealed that overall the country stood to lose \$2 billion in government revenues.

In March, the Organisation of Petroleum Exporting Countries, (OPEC) reduced the benchmark price for Arabian light crude by \$5 (US) to \$29 (US) a barrel which drove down the price of Amoco's Galeota South East crude to \$30 a barrel.

Together with the cut in the Supplemental Petroleum Taxes (SPT) which will cut revenues from land production by an estimated \$160 million this year and the estimated six per cent in crude oil production which is expected to be under 160,000 barrels of oil daily, Government will lose the considerable sum in revenue, as revealed by Mr. Mohammed.

Mr Mohammed criticised teachers as well for a breakdown in discipline in the teaching profession and related an incident where he visited a school and personally heard a teacher using obscene language to another teacher.

Pointing out that there was "a mistaken belief that whatever has to be done has to be done by the State," the Agriculture Minister warned that people in the country would have to go on a financial diet and conserve and save.

CSO: 3298/356

FOOD IMPORT BILL UNDERSCORES NEED FOR BOOST IN AGRICULTURE

Mohammed Broadcast

Port-of-Spain TRINIDAD GUARDIAN in English 5 Dec 83 p 1

[Text] FOOD insecurity in Trinidad and Tobago has grown worse over the years. And in the face of a spiralling food import bill which climbed to \$903 million last year, Agriculture Awareness Week was launched last night.

Acting Prime Minister and Minister of Agriculture, Lands and Food Production, Mr. Kamaluddin Mohammed, in a radio/television broadcast, called for a commitment by all towards increased self-reliance in food.

During Agriculture Awareness Week, which is being observed from today through December 10, Mr Mohammed urged every home to plant at least one fruit tree or one plant in their backyard.

Highlight of this week's programme of activities takes place at 2 p.m. tomorrow when Mr. Mohammed himself will open the long overdue Wholesale Farmers' Market at Sea Lots.

Speaking about project in his broadcast last night, the Minister said the opening of the wholesale market will enhance the marketing system for domestic food and vegetable crops.

"This project which has been long in fruition," said Mr. Mohammed, "will bring considerable relief to the hundreds of farmers who market their produce independently in the severely limited facilities existing at the Central Market."

The idea of a farmers wholesale market has been mooted now for more than 15 years. Dire necessity for such a market is glaringly exposed every Thursday evening as traffic on the Beetham Highway is snarled, and reduced to one lane, going east.

Apart from the marketing opening, other activities have been planned this week in every county, involving the schools and farmers.

## Overall Decline

In his broadcast last night, Mr. Mohammed noted that in most Caricom countries there was a significant decline in agricultural production and exports during the past decade, the effect of which has been an overall decline in economic growth and development.

"In Trinidad and Tobago, the situation is not much better," he declared. "If anything, food insecurity has declined over the years.

"We have a food import bill which has been speedily climbing and which in 1982 stood at \$903 million.

"A critical comparative analysis of the bill reveals that between 1976 and 1980 imports increased in significance as a proportion of total supply from 94 per cent to 98 per cent for cereals and grain; from 44 per cent to 62 per cent for roots and starches; from 20 per cent to 43 per cent for meats; and from 62 per cent to 87 per cent for milk products.

"Surely," said the Minister, "this trend of increasing dependence on imports and by definition increasing food security must be tackled continuously," he added.

## Real Problem

It was in this scenario that a very real food problem existed, and which emphasised the necessity for making local domestic food production system more efficient, said the Minister.

In his address, Mr. Mohammed also pointed to the incentives and services provided by the Government to stimulate increased production in domestic agriculture.

They include a Home Garden Campaign based on the theme--in every home a garden; a host of subsidies for farmers and fishermen--like subsidies for land preparation, agricultural machinery and equipment, agro-chemicals, housing for livestock, water and irrigation equipment, transport vehicles and fishing boats.

Mr. Mohammed also cited the protection given to farmers against competition from outside, via the imposition of import resti on selected commodities.

He explained that in administering the food import policy, "we are guided by a number of factors including nutritional considerations; importance of the commodity in the diet of low-income groups; existing and potential domestic production capability, and the extent of foreign exchange outflow.

Mr. Mohammed said the marketing system was being progressively strengthened, and pointed to the opening in June this year, of a modern wholesale fish market at Sea Lots, managed by the National Fisheries Company.



## Crop Insurance Proposal

Port-of-Spain EXPRESS in English 8 Dec 83 p 3

[text] THE TRINIDAD Islandwide Cane Farmers Association (TICFA) has urged the implementation of a crop insurance and guaranteed prices as basic incentives to increase agricultural production in the country.

TICFA's manager Wahid Mohammed, in a statement supporting agricultural awareness week launched by the acting Prime Minister Kamaluddin Mohammed (above in picture), said that farmers were disinterested in agriculture because of the high risks involved. Said Mohammed, "one of the main reasons for the lack of interest in agriculture, is the high risk involved, the uncertainty of reaping a good harvest and making a profit."

Mohammed added, "it is in this area that incentives can be given to arouse the interest of the people in such sections as crop insurance, storage, guaranteed prices, marketing, extension services, financial aid in the form of loan and machinery for land preparation." Mohammed pointed out that the cultivation of crops were not the important thing. He said the price structure, a ready market and storage facilities were necessary.

The TICFA manager suggested that Agriculture be placed as a major subject on the school curriculum "in order to show its importance as the tendency of the younger population is to move away from the land." He said that at present most farmers were above the age of 40 and urged that steps be taken to encourage young people to toil the soil. He pointed out that canefarmers were already making a significant contribution to agriculture by cultivating short-term crop in their cane plantations.

CSO: 3298/357

## EX-IDC HEAD GIVES PRESCRIPTION FOR IMPROVING ECONOMY

Port-of-Spain SUNDAY GUARDIAN in English 18 Dec 83 pp 6, 35

[Article by George Danny, lawyer, former director of the IDC and executive director of the Trinidad and Tobago Institute of International Affairs]

[Excerpts] THE country awaits with some anxiety the presentation by the Government of the 1984 Budget. This anxiety, commonly shared by all sections of the population, will not be found to be baseless. The 1983 Budget was a prelude to what will follow in 1984, but with much greater severity. We have been warned constantly over the past few months by Government Ministers of the gloomy prospects for 1984 and onwards, not to mention the other unmistakeable signals of things to come. The EC-O instrument designed and implemented recently by Government is, of course, one of the most telling devices employed to date in an attempt to manage the economy. Ostensibly, it is intended to check the out-flow of foreign exchange reserves, but in effect, it is the operation of a quota system.

The manner of its introduction and the cumbersome nature of its operations lend support to the view that the private sector is targetted for special treatment. Because one is entitled to enquire whether the Government, Government agencies and state corporations have to undergo a similar hassle. What control, for example, is exercised by the Central Bank and the Ministry of Industry, Commerce and Consumer Affairs over such agencies and corporations?

It is expected that provisions in the 1984 Budget would seek to strengthen this aspect of Government's policy with detrimental effect on businesses which have a strong import base. Such businesses in turn would either close down or retrench workers, adding to the already high reservoir of the unemployed.

Already, the construction industry, which during the boom years employed a large number of persons, is almost at a standstill.

The oil industry and related services have also been forced to retrench workers.

#### LABOUR

Agriculture is also on the verge of demise with an ever shrinking labour force.

Even teachers are being retrenched on the ground that there are too many trained teachers and in spite of the fact that the normal complement of the average classroom is never under 40 children.

Nothing has occurred in the international economic environment since the presentation of the last Budget in December, 1982, to encourage optimism. If anything, it has become worse and the prospects for 1984 and beyond are grim, unless we can so arrange and manage our affairs so as to minimise the effects of the global recession and chart a new course for national prosperity.

The Budget has to address four major issues of concern to us at the present time: Conservation of our foreign exchange reserves; the need for a new export thrust; agricultural production, and employment.

#### IMPORTS

In November 1982, our liquid foreign reserves stood at \$6,857 million. At the present time, it is expected to be only sufficient perhaps to finance imports at current levels to June-July 1984.

The EC-O device is intended to stem this outflow. It seems to be justified in the circumstances. The pity is that the Government lacked the foresight to envisage this situation and thus failed to take remedial action before.

Our foreign exchange reserves were permitted, by the lack of proper management of our

finances, to be dissipated on non-essential, luxury imports, wasteful and unproductive projects such as the Racing Complex, the Financial Complex, the Hall of Justice, the iron and steel plant, not to mention government-to-government contracts which turned out to be a device invented to enrich foreign governments and their nationals at our expense and to cover up a multiplicity of sins, the chief of which was corruption.

The ad hoc approach to the development of our economy laid emphasis on the petroleum and energy-based industries to the almost total exclusion and neglect of the agricultural sector, particularly food production.

The result is that today our food import bill is in excess of \$1 billion. This situation will remain unaltered unless the Government comes up with a serious and creative plan of action.

This figure represents the acme of governmental indifference and neglect of a sector of our economy which is so vital to our survival. On paper, the Government's agricultural programme looks impressive; but on performance, it has proven disastrous. One can only surmise as to the reason/s for this state of our agriculture, especially in the area of food production.

## RESOURCES

It is well known and generally accepted that we have all the necessary resources to have a vibrant agricultural sector in spite of what the World Bank may wish to say: fertile lands and hard-working and knowledgeable farmers, who are willing and able to produce the food requirements of the nation.

But then this cannot be done if it takes five years to conceive and build a wholesale farmers' market which is left unopened for ten years. Also, it cannot be done if, after 27 years, farmers still complain of the lack of access roads and marketing outlets.

It is obvious that the Government was never really interested in the agricultural sector despite its protestations to the contrary. The evidence is too glaring. Is the reason political? Also, could the Government say what has become of the preparation of the Nariva Swamp by the Japanese, which was intended for the growing of rice.

There appears to be something fundamentally wrong with the Government machinery for implementation of its agricultural programme.

What then are the options open to the Government for dealing with the present situation? Clearly, it has to prune its own expenditure in the light of dwindling revenue, particularly, from the oil sector. It has to examine areas where cuts have to be made to effect savings. This can only be done justly, if it is done on a selective and non-discriminatory basis. The exotic, non-essential and non-productive items of import would have to be the first casualties of such a policy.

## TRADE

Government would also have to give a hard look at the terms of trade between ourselves and our Caricom neighbours, Latin America, the U.S. Canada, Australia, New Zealand and Japan. Especially, our trade relations with Japan will have to be examined closely with a view to redressing the indecent imbalance in the terms of trade between our-

selves and Japan. A look at the value of the trade reveals a \$20 million export figure as against \$427 million of imports.

If we have nothing significant to sell to Japan so as to narrow the trade gap, we must seek out new arrangements whereby Japan would be required to make a significant compensatory contribution to our economic and social development. We can no longer afford an arrangement whereby trade and development are permitted to become a one-sided affair. We must ensure that trade is reciprocal and mutually advantageous.

It is suggested that we adopt a similar policy with respect to our trade relations with other countries as well.

In addition, we must begin to insist on joint-venture arrangements so that countries which wish to trade with us could consider ways of facilitating our own economic development by becoming jointly involved for our mutual benefit, rather than merely dumping their own products on us and thereby enhancing their own prosperity.

Also, we must seek to assure other countries that, if they liberalise their trade relations with us, i.e. remove tariffs and other barriers, we in turn would be prepared to reciprocate in similar fashion.

The Government must also examine as a matter of urgency all projects in which it is involved with other governments on the government-to-government with a view to scaling down those which it would be pointless and wasteful at this stage to close down, and terminating others which are unproductive of revenue of the economy, after suitable discussions/arrangements with the other parties concerned.

Other areas which the Government could

usefully look at are the motor assembly industry. It may wish to consider putting a complete ban for a specified period on imports of fully assembled motor vehicles and only allow imports of plant and machinery which are to be used for industrial purposes connected with a revitalised export thrust.

#### TERMS

Further, Government may wish to consider, whenever it is necessary to grant a contract to any foreign firm, imposing as a precondition a requirement that either credit on easy terms or a soft loan be made available for the purchase of plant, equipment and materials involved in the performance of the contract. The involvement of expatriate labour in such projects should be strictly controlled in order to secure work for our nationals.

We have been brought to this parlous state: we did not just arrive there on our own volition. Telco and T&TEC should have been put in place during the boom years so that the capital costs would have been met out of the surpluses available from the inflated oil revenues. The consumer should not be now called upon to meet the costs of capital expenditure involved in the expansion programmes of these two utilities.

But whatever the reasons for our being in this situation, we must now find some answers. The Government would now have to work out a strategy for dealing with this situation. It must level with the population and enlist the people's support for

any programme it may wish to initiate. The population, through the various interest groups, must be involved in any plan, multi-sectoral or otherwise, is proposed.

The plan must ensure balanced growth of the economy. It must take cognisance of the existing resources, both human and material, which are available. It must also be just in its approach, so that all sections of the community would be called upon to bear the burden equally and fairly.

The plan must inspire the population and not act as a suppressant to economic activity. The traditional prescriptions usually imposed by the IMF should be avoided in our situation.

#### SCARCITY

A policy which creates scarcity in the financial system and increases interest rates to inordinate levels can only serve as a disincentive.

A policy which seeks to remove subsidies on basic essentials would create hardship and misery for middle and lower income people.

A policy which destroys personal initiative and enterprise either by ideological experimentation or bureaucratic insensibility can never hope to create wealth or prosperity.

The Demas Report is yet to be made public. But from glimpses one has had of its recommendations as reported in the Press, it would appear that the recommendations are a mere rehash of the traditional IMF prescriptions for economic ills such as ours.

When the Government was engaged in its wild, ad hoc approaches to economic development and wanton splurge of our petro-dollars which, over the period 1974-81, amounted to over \$35 billion, the country heard not a word of warning either from Demas or any member of his committee or the World Bank.

#### SOLUTIONS

The people of Trinidad and Tobago would decide how they wish to deal with their ailing economy. They would, I am sure, resist any solutions dictated from foreign agencies, particularly if they consider such solutions to be oppressive.

The population should be consulted on the programme for national economic recovery. No arbitrary impositions would be acceptable. The trade unions and public servants have made this painfully obvious.

The population is in no mood to undergo further hardships and pressures. The Chambers administration would be well-advised to take cognisance of the prevailing mood so that its prescriptions for recovery would not be at variance with the wishes of the people.

We must seek ways to energise the economy. A programme of self-help and self-reliance is called for. The Government must provide the dough which would enliven the economy. It is in freedom to trade, freedom for the small self-employed trader to exert himself to the fullest, that affluence would crown our efforts and create the jobs for our people.

## WORLD BANK REPORT CRITICIZES ECONOMY, ADVISES CHANGES

## Capital Project Mismanagement

Port-of-Spain EXPRESS in English 8 Dec 83 p 1

[World Bank Report: An Express Exclusive; Government's Management of the Economy Heavily Criticised; Our Money is Badly Spent]

[Text] THIS REPORT is based on the findings of an economic mission to Trinidad and Tobago in May 1982 consisting of Nicholas Carter (Mission Chief), Theresa Jones (Economist), Micheal Pearson (Petrochemicals), Harbaksh Sethi (Heavy Industry), Ernst Bolte (Manufacturing), Emmanuel Ndungutse (Employment), Maurice Perkins (Agriculture-Consultant) and Dolores Velasco (Research Assistant). The mission was designed to assist the Government in the preparation of the National Development Plan and the report was discussed with the Government on several occasions during the latter part of 1982. Final production was delayed until June 1983 pending the completion of the Development Plan.

THE WORLD BANK has severely condemned Government's management of its large capital investment projects over the past decade. The criticisms came in a special report completed in June this year at the request of Government, entitled, "Trinidad and Tobago: Development Issues for the 1980s."

"The deficiencies in the management and implementation of the public sector investment programme begin," the report reads, "at the stage of project preparation in the ministries. As a result of the lack in recent years of a constraint on financial resources, projects are not ranked by the ministries in their proposals."

"Serious estimates are not made of project costs and benefits nor are projections made on the likely phasing of expenditures and physical works. No breakdown is made in the project costs between capital and recurrent expenditures. Adequate descriptions of the project are not given."

"The approval process for projects does not appear to be well-defined. A number of projects which have not been approved by Cabinet are being implemented,

while, at the same time, some projects which were approved as long as five years ago are still to be carried out.

"The Finance Advisory Committee, which should provide the technical analysis and evaluation necessary for a Cabinet decision on a project, does not receive sufficient information or enough time to carry out its functions properly. After project implementation has begun, both the disbursements and physical progress need to be monitored carefully; however, this is not normally the case.

"Where allocations came from the Special Funds, there is little or no control. Then Ministry of Finance and Planning does not receive enough sufficient, timely information to be able to monitor effectively project implementation.

#### Projected TRINTOC Losses

Port-of-Spain EXPRESS in English 8 Dec 83 p 64

[Text] TRINIDAD and Tobago Oil Company (TRINTOC) will lose more than \$225 million (U.S.) over the next four years in the absence of refinery upgrading.

A statement recently released by the World Bank for the Government of Trinidad and Tobago indicated that operating losses were estimated to be U.S. \$360 thousand in 1980, \$47.5 million in 1981 and further losses of US \$96.8 million from 1982 through 1984 with present operating facilities.

However, although TRINTOC has embarked on an upgrading project which the World Bank report said "appears at first to be the logical course to pursue to place the operation on sound commercial footing," a major risk exists, the report added. The upgraded facilities, the report pointed out, would come on stream at a time when light products are becoming less profitable because of weak demand and plentiful supply due to a worldwide trend for "whitening" the crude barrel.

The report, contained in the document entitled "Trinidad and Tobago: Development Issues for the 1980's" suggested that a full investigation of any surplus refining capacity existing in other facilities within the country before any extensive refinery conversions are made.

"In this regard the authorities recognise that the project should be considered in the context of overall rationalization of the petroleum refining industry in Trinidad including possible integration with developments required within the Texaco refinery at Pointe-a-Pierre," the report stated.

Apart from upgrading the refinery, the report added, other options drawn up for rationalization of the industry by a committee appointed in 1982 have not been analysed fully.

The Committee's slate of options drawn up for further study is as follows:

Case A: Current installations at the TRINTOC and Texaco refineries, operating under five modes:

- (i) continuance of TRINTOC in its present disadvantaged position;
- (ii) interlinking of the refineries to employ Texaco's available residues;
- (iii) interlinking for aromatics extraction from TRINTOC's surplus platfromate, and
- (iv) interlinking, for atmospheric distillation of TRINTOC's crude, using Texaco's excess capacity, and returning the distillates to TRINTOC.

Case B: The TRINTOC refinery Upgrading Scheme.

Case C: Partial modifications at both refineries, requiring moderate investments for each refinery and their interlinking. The aim would be to:

- (i) increase TRINTOC's reliability of crude distillation by revamping the present unit or installing a new unit and,
- (ii) improve Texaco operations by (a) vise-breaker refurbishing; (b) heavy distillate hydrocracking; (c) gas oil desulfurisation; (d) installing a hydrogen plant for hydroprocessing; and (e) providing additional required offsites.

The report recommended that the use of available, unutilised capacity for TRINTOC crude distillation and fuel oil conversion at the Texaco refinery be investigated.

#### Call for Capital Spending Cut

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 83 p 1

[Text] THE WORLD BANK recommended to Trinidad and Tobago government a two-thirds cut in capital expenditure next year.

The Bank also proposed an increase in consumption taxes and elimination of import duty concessions. It also noted that by keeping public sector wage increases to eight per cent a year \$1200 million can be saved in 1990.

The Bank sent a mission last year to help with preparation of a four-year development plan. The mission's report was completed in June this year. Looking at the future of the Trinidad and Tobago economy, the Bank team also postulated reduction in public utility deficits to \$700 million and in food subsidies to \$250 million a year.

Even with these measures there will be an overall deficit of about four to five per cent of gross domestic product.

The report warned that failure to take such measures would quickly produce unviable levels of debt.



The Bank mission said the performance of the economy and its managers has been better than might have been expected "under the intoxicating influence of oil" during the 1970s, and better than most other oil-producing countries.

#### Oil Running Out

However, the report noted, the reality of Trinidad and Tobago's future is that the oil is rapidly running out, oil prices are likely to be soft for the duration of the country's reserves, and the Government budget is rapidly deteriorating from continued acceleration of the subsidy and welfare programme and the momentum of an investment programme now beyond the country's means, while revenues are stagnating.

Industry and agriculture have been so emasculated that they cannot, in the short time required, increase so as to take up the slack left by the gradual disappearance of oil, the bank report said.

It added that natural gas abounds but its uses are few and costs of exploitation are high.

Potential revenues from natural gas are far less than from petroleum, and net foreign exchange earnings from projects like ISCOTT, petrochemical plants and potentially the LNG plant, are at best negative at least until the middle of the decade of the 1980s.

A possible scenario from continuation of present trends without significant policy changes will be rapidly increasing constraints, the Bank mission warned, first on the Government budget but soon after on the balance of payments. These would lead to a necessary slowdown in economic activity and a necessity to dismantle the welfare state, increasing unemployment and falling real consumption.

During 1970-81 export earnings increased nine-fold with a real growth of ten per cent a year. During 1981 to 1990 it is estimated that nominal earnings will increase by only 28 per cent, which translates into no growth in real terms.

#### Present Trends

This projection is based on continuation of present trends with continuing decline in oil production, increase in internal demand for oil products at subsidised prices, stagnation in manufacturing exports exacerbated by protection of the Negative List and inappropriate exchange rate, with gradual disappearance of agricultural exports.

The Bank mission said energy-based industries will, during the decade, begin to make significant contributions to export earnings. But the overall magnitude will remain small and foreign exchange costs will continue to be large.

Petroleum will continue to be the major earner of foreign exchange in 1990 but transportation including bunkers tourism and ISCOTT will have significant proportions by that time.



Continuing the present trends will bring about increasing deficits on the balance of payments which by 1990 would exceed \$US 2.5 billion annually. To cover the deficit exports of non-petroleum products and services would have to grow at more than 14 per cent a year in real terms, whereas the current outlook is for about four per cent annual increase.

Looking at economic models for the future, the Bank report noted that in the 1983 budget some subsidies were eliminated and some taxes increased. But it added that more action in this direction will be required to bring the economy to a stable growth path.

#### Sugar Phase-Out Recommendation

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 83 p 20

[Text]

THE WORLD BANK mission, in its recommendations to Government in preparation for the National Development Plan, has suggested that a decision should be taken immediately on the phase-out of the sugar industry.

The decision needs to be taken immediately, the economic mission, which came to Trinidad and Tobago in May 1982 and made its final report in June this year, stated.

Pointing out that there was little in the way of new suggestions the mission had to say on agriculture since most of the possible actions had been suggested some several decades ago, the mission recommended:

- \* Scarce resources should not be used to try and revive the traditional tree export crops.

- \* A mechanised pilot project for the production of feedstuffs including rootcrops, should be established in order to test the feasibility of

import substitution.

- \* A system of realistic and current guaranteed producer prices should be substituted gradually for the existing system of price controls and subsidies for domestic food crops and livestock products.

- \* Improved marketing facilities and a more active role for the Central Marketing Agency are required to meet the current needs of the market and to produce surpluses for export.

The report pointed out that for the past decade, agriculture had been in decline and there was a virtual stagnation in domestic products.

#### 'No' to Aluminum Plant

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 83 p 20

[Text]

THE WORLD Bank has drawn the attention of the Government of Trinidad and Tobago to the poor market outlook for aluminum.

This mitigates against investment in an aluminum plant proposed by Government, currently estimated to cost about \$1 billion.

The economic mission of the world Bank which visited Trinidad in May last year and submitted its final report in June, noted that an aluminum plant using Jamaican or Guyanese alumina, had been discussed in the

Caribbean for some time.

"Although it seems as though a plant of 150,000 - 180,000 TPY would be appropriate, using electricity generated from natural gas, and although there have been extensive studies both technical and economic, demonstrating the general viability of the plant, no agreement to go ahead was ever made.

"Currently, the poor market outlook for aluminum mitigates against such an investment," the report said.

## Steel Picture

Bridgetown BARBADOS ADVOCATE in English 12 Dec 83 p 3

[Text]

PORT OF SPAIN, Trinidad, Sunday (CANA) — The World Bank has told Trinidad and Tobago's fledgling steel industry, whose production averaged less than a quarter of plant capacity last year, that its ability to find overseas markets for its wire rods seems doubtful.

A bank report noted that the state-owned Iron and Steel Company (ISCOTT) had not been able to secure an assured market in the U.S. for its wire rods for a number of reasons including obstacles placed in its way by competing American steelmakers.

ISCOTT had hoped for good sales in the United States and the disappointing performance there is a setback for the company which was set up as part of government's efforts to diversify its oil-dominated economy.

The World Bank report was completed by an economic mission which visited here last year. The report dated June 24, 1983, has just been leaked here.

It said "Irrespective to the present steel situation in the world, including North America, the mission feels that ISCOTT would have enormous difficulties acquiring the wire rod market as initially planned. Other marketing channels have to be explored."

ISCOTT'S penetration of the U.S. market is threatened by the filing of law suits by American steel manufacturers who claim that steel production in Trinidad and Tobago is subsidised and this creates unfair competition for them.

The bank report also said that a large share of interest charges carried by the company in its cost structure was "the result of an unsound financial management."

It added that with the plant at 80 per cent capacity utilisation, interest charges were 24 per cent of the production cost structure.

The report pointed to a similar facility in the Middle East where a plant operating at full capacity had interest charges at 10 per cent.

Meanwhile the 1982 report of the Trinidad and Tobago Central Bank just released said production capacity at the direct reduction plant at ISCOTT, which began commercial production three years ago, reached 900 thousand tonnes per year in May 1982 with the start of operations at its second module.

Iron and steel production last year consisted of 217 933 tonnes of direct reduced iron, 170 686 tonnes of billets and 123 989 tonnes of wire rods.

[Editor's Note: The Port-of-Spain EXPRESS on 7 December adds to the above report as follows:

[The report concluded with a suggestion that a detailed review of the project be undertaken.

[Its analysis showed that the project suffered from overwhelming problems in both the plant operations aspect, the market environment and the financial situation.

['Financially,' it read, 'ISCOTT faces significant problems. The delay in completing the facility, the cost overrun, the low build-up of production, the depressed market environment and low credit-worthiness of the company have seriously affected the economics of the project.'

[The report also drew attention to the fact that ISCOTT lacked an adequate corps of trained and experienced personnel and recommended that the company enter into an agreement with another steel company.]

#### General Review of Report

Port-of-Spain TRINIDAD GUARDIAN in English 15 Dec 83 p 14

[Text]

**THE WORLD Bank has drawn attention to the fact that the most immediate problem facing policy makers is the fiscal situation.**

In the report of the economic commission which visited Trinidad and Tobago in May 1982 and submitted the final report in June this year, it is stated that the overall deficit of the Government was 19 per cent of Gross Domestic Product (GDP) in 1982 and could be as high as 24 per cent this year.

The Bank report said the key problem during the 1980s will be financial management by the Government in the face of declining revenues from oil.

In its proposal for cutting capital expenditure, the Bank report noted that capital expenditure in 1982, not including the DEWD programme or deficits of State enterprises, was TT \$3.8 billion, more than 20 per cent of Gross Domestic Product. It would be possible to reduce the programme below TT \$3.2 billion in 1983, and this will more than exhaust the Development Fund during the year.

#### **BORROWING**

The Bank report said that given this and using every possible source of borrowing, both internal and ex-

ternal, as well as making significant cuts in expenditures and increases in non-oil revenues, the most that can be sustained in the development programme in 1984 and beyond is \$TT 1,000 million, slightly more than five per cent of GDP.

If no policy measures are taken to increase revenue the ratio would fall to 30 per cent of GDP by 1990, from more than 40 per cent in 1980 and 1981.

The Bank report forecast a deficit of 16 per cent of GDP by the end of the decade, if present trends continue without significant restraint.

On the revenue side, the report proposed an increase of taxes on consumption from the current three per cent yield to five per cent. It also proposed elimination of import duty exemptions, increasing revenue from tariffs from eight per cent of 15 per cent of the value of imports.

#### **TRANSITION**

The utility deficit could pass \$2,000 million by the end of the decade. By gradual elimination of subsidies this could be brought to about \$700 million and potentially eliminated thereafter, according to the Bank report.

Food subsidies could exceed \$450 million by 1990 if unchecked, but with proper measures could be kept to \$250 million, it added.

The Bank report also noted that expenditure item is public sector wages, which in 1980 amounted to \$1.2 billion. In 1982 and 1983 they will be \$2.8 billion and expected to increase by ten per cent a year. By keeping this to eight per cent, \$1,200 million can be saved in 1990, the report pointed out.

The report said that the projections, though crude, highlight the types of policies necessary for the economy to make a successful transition from dependence on petroleum as its single source of growth and output.

A key consideration is expansion of non petroleum exports. Policies include improving the efficiency of domestic industry, abolition of the Negative List and measures to improve international competitiveness of Trinidad and Tobago manufacturers.

Equally important, the report said, are policies to moderate

the rapid increase in per capital consumption. The report added that consumption expectations need to be directed to very modest average rates, with the possibilities that in some years the growth may have to be negligible.

#### IMPACT

To this end increases of tax collection on imports, increases of tax collection on goods and services, and elimination of a major part of consumer subsidies, particularly where such subsidies appear as transfers from the Central Government budget to the State enterprises, are measures that need to be taken.

The Bank report added that restraint on wage increases in the public sector, and hopefully on the rest of the economy also, will serve to restrain consumption. It will also have significant impact, in conjunction with fiscal measures, on the viability of the Government budget.

## FURTHER ASSESSMENT OF, REACTION TO JAMAICAN DEVALUATION

## Mohammed Remarks

Bridgetown SUNDAY ADVOCATE in English 4 Dec 83 p 1

[Text] Port of Spain, Trinidad, Saturday (CANA)--TRINIDAD and Tobago's Acting Prime Minister Kamaluddin Mohammed says his government is not aware of any plans to revise the 10-year-old treaty governing trade relations and functional cooperation in the 13-nation Caribbean Community (CARICOM).

Mohammed's comments came in the wake of a recent announcement by Jamaica Prime Minister Edward Seaga that attorneys general from CARICOM member states were to meet to begin drafting the treaty for what he called CARICOM II.

Seaga told a November 4 news conference: "The first step is for the attorneys general.....to draft provisions governing entry into, suspension from and expulsion and provisions for basic criteria for (dealing with) political situations."

But Mohammed, who is in charge of the Government in the absence abroad of Prime Minister George Chambers told the 'Trinidad Express' newspaper:

'I am not aware of any discussions for a change, so to speak, in what we have already set up (in 1973) and that is a regional institution based upon collaboration in economic as well as in the functional themes.'

The Acting Trinidad and Tobago Prime Minister added: "I am not aware yet of any proposal that has come to us or which has been discussed. If it has we have not yet seen the report."

The two leaders comments reflect new differences which have surfaced within the community over last October's U.S.-led military intervention in Grenada --action which was supported by just over half of CARICOMs membership.

Jamaica, Barbados, Dominica, St. Lucia, Antigua-Barbuda, St. Vincent and the Grenadines and St. Kitts-Nevis backed and actively took part in the invasion to oust a leftist military junta that had seized power in a bloody coup nearly a week earlier.

But Trinidad and Tobago, Guyana, Belize and Bahamas opposed the invasion. The other CARICOM member state, Montserrat, is a British colony which is not responsible for its external affairs.

#### Gonsalves on Trinidad Devaluation

Port-of-Spain TRINIDAD GUARDIAN in English 7 Dec 83 p 1

[Text] TRINIDAD and Tobago should be prepared to face mass retrenchment if Government follows Jamaica's recent action and devalues the TT dollar.

This view was expressed by Mr. Matthew Gonsalves, President of the Trinidad and Tobago Garment Manufacturers' Association yesterday.

Mr Gonsalves was commenting on a suggestion made by an official of the Trinidad and Tobago Manufacturers' Association that Government retaliate to Jamaica's devaluation of its dollar by devaluing our own as well.

He said:

"If, as the TTMA suggests, Government does decide to devalue our dollar, we can only expect economic chaos. Manufacturers will suffer because the cost of labour will rise and production will no doubt be less, and consumers will obviously suffer too. Naturally they will have to pay more and some will definitely not be able to afford it."

"The cost of living will rise and I can see a lot of social problems developing there. All those factors can only result in a great deal of retrenchment in Trinidad and Tobago. Then again, there should be no need to devalue, since the strength of our dollar is based on foreign reserves."

Government, Mr Gonsalves stated, should instead seek to curtail imports and protect our own industrial development, particularly that of the garment industry.

Where imports were concerned, he drew reference to the free trade policy, noting especially that not just Caricom, but also extra-regional garments were flooding the local market. This, he said was not only using up valuable foreign exchange carelessly, but "putting a squeeze" on the local garment industry also.

"Why not stop importing and give local people jobs?"

"The garment, industry, particularly, offers a lucrative opportunity for on-the-job training as well as employment. What we should be doing is finding jobs for our people instead of retrenching them, and Government especially should establish some sort of policy to protect the industry from being "drained" by imports. Devaluing the dollar is just going to make all of that much harder. It is shock treatment which the country cannot stand," he said.

## Better Goods

According to Mr Gonsalves, Government should encourage local manufactures and, particularly, the growth of cottage industries. In his area of business alone, he said, he felt confident that the 500-plus garment manufacturers now registered with the Bureau of Standards, can and will produce better goods than is available overseas.

And with next year's Budget due soon, Mr Gonsalves says, Government should take positive action against importing, now more than ever.

"They should anticipate what lies ahead and seek to protect local manufacturers, especially now when we are hearing how bad financially the times are. If they do take a step like devaluation, the consumer will find himself paying twice as much money for perhaps less than usual. Let us try instead to take positive action and encourage our own skilled people within our industries."

## Manufacturers' Reaction

Port-of-Spain TRINIDAD GUARDIAN in English 8 Dec 83 p 1

[Text] THE TRINIDAD and Tobago Manufacturers Association (TTMA) yesterday denied that at any time it ever suggested a devaluation of the Trinidad and Tobago dollar as a response to the Jamaican devaluation.

Its statement released yesterday read:

"The Trinidad and Tobago Manufacturers Association never at any time since the devaluation of the Jamaican Dollar, suggested that Trinidad and Tobago should institute a devaluation of its own currency (TT dollar) as a response to the Jamaican devaluation.

"The statement of devaluation as attributed to the T&TMA by Mr. Matthew Gonsalves in the various media, is completely false and misleading and can only be explained by the fact that Mr. Gonsalves either totally misinterpreted the T&TMA's Press release dated December 1, 1983, or deliberately attempted to be mischievous.

"Furthermore any recommendation to be made by the T&TMA and its executive management committee on any alteration in the exchange rate of the T&T dollar can only be made if and when a detailed study has been carried out.

"The T&TMA's Press release outlined the effects of the Jamaican devaluation on local manufacturers, both in Trinidad and Tobago and in the Jamaican market, and called on Government to institute protective measures.

"In order to attain the desired effect, the Government of Trinidad and Tobago could either impose quotas and/or countervailing duties.

"It is further suggested that a committee be set up comprising members from both the public and private sectors to explore the possibilities and mechanics of counter trade with Jamaica."

## Barter, Quota Proposals

Kingston THE DAILY GLEANER in English 21 Dec 83 p 3C

[Text]

PORT OF SPAIN, December 8, (CANA):

THE TRINIDAD AND TOBAGO MANUFACTURERS Association (TTMA) has suggested a system of bartering and imposition of import quotas as possible counter measures to offset the negative effects of last month's devaluation of the Jamaica dollar.

In a statement published today, the manufacturers noted that they had already called for Government to institute protective measures to curb the further deterioration of the unfavourable balance of trade with Jamaica.

Imports from Jamaica for the period January to September 1983 had reached TT\$88.7-million (TT\$1=41¢ U.S.) while exports from Trinidad and Tobago to Jamaica were TT\$25.6-million.

"In order to attain the desired effect, the Government of Trinidad and Tobago could either impose quotas and/or countervailing duties (on Jamaican imports)," the TTMA said.

"It is further suggested that a committee be set up comprising members from both the public and private sectors to explore the possibilities and mechanics of counter trade with Jamaica," it added.

Prime Minister George Chambers told reporters here last night that his Government does not necessarily have to react to the 43 per cent Jamaica dollar devaluation. Jamaica was a sovereign state and entitled to do so, but he said his comments did not mean that Government may not take any action.

"Jamaica is a sovereign state and it's entitled to devalue its currency. The devaluation of currency in Jamaica does not necessarily mean that Trinidad and Tobago take action. I do not mean by that that Trinidad and Tobago may not take action.

"But if Trinidad and Tobago had to take action in respect of its currency it would be its own conscious decision in its own interests," Chambers said.

Today's TTMA statement was prompted by remarks by president of the Trinidad and Tobago Garment Manufacturers Association Matthew Gonsalves who had alleged that the TTMA had said Trinidad should devalue its own dollar.

Gonsalves had been quoted by the press as saying such a move would bring economic chaos here.

The TTMA said Gonsalves reported comments were completely false and misleading.

It said that any recommendation for an alteration in the exchange rate of the Trinidad and Tobago dollar can only be made if and when a detailed study has been carried out.



## PNM WOMEN RAP HOUSEWIVES' PROTEST AGAINST TRADE WITH CUBA

Port-of-Spain TRINIDAD GUARDIAN in English 9 Dec 83 p 14

[Text]

IDEOLOGICAL differences between two countries do not say they cannot trade or talk about trade with each other. The Women's League of the ruling People's National Movement (PNM) emphasised this point, commenting on a demonstration of housewives who picketed Whitehall protesting the presence in this country of a Cuban trade mission recently.

The League decided at its annual conference to make regular comments on matters of national importance.

Referring to the march by housewives, the League stated the demonstrators had nothing better to do.

The demonstration by a small group of women outside Whitehall was an exercise which did nothing but arouse an unnecessary fear among some sections of our population.

"It is clear that the protest by that small group of women was designed to spread harmful propaganda in our region. The protesters were saying that the Cubans could result in this country being undermined by communism.

"The U.S. trades with the Soviet Union. Is that country being undermined by communism? Is it not a fact that the U.K. has strong trading links with Cuba?

## LONG BEFORE

"There can be no doubt that the housewives were conscious of the Grenada issue when they protested against the Cubans last week, but the women must know that this meeting was planned long before the Grenada crisis.

"If the crisis had not occurred, the women would certainly not have considered the Cubans nor would they have seen the Cubans as a threat to Trinidad's democratic way of life," the League said.

The League, of which Information Minister Senator Muriel Green is chairman, related some of the "facts" in the matter as follows:

\* Trinidad and Tobago and Cuba have had diplomatic relations with each other for the past eleven years.

\* In February 1970, Cuban leader Fidel Castro praised this country's then Prime Minister, Dr.

Eric Williams, for his courage in calling for the economic re-integration of Cuba in the Caribbean, provided Cuba did not interfere in the internal affairs of any Latin American country.

\* In September 1973, Dr. Castro visited Trinidad, intransit to Algeria.

In mid-1975 Dr. Williams visited Cuba.

\* More than that, it was Cuba which co-sponsored a resolution with Trinidad and Tobago to form the Caribbean Development Co-operation Committee at the 1975 Sixteenth Meeting of the Economic Commission for Latin America held in Port of Spain.

## MIDDLE ROAD

\* In that same year, in spite of the close relationship between both States, Trinidad and Tobago refused to allow Cuba to refuel its planes on their way to Angola's civil war.

The League's letter, to be circulated to its members, contended:

"Trinidad and Tobago favours a middle road away from Castroism.

## CHAMBERS RETURNS, MAKES IMPROMPTU REMARKS AT AIRPORT

Port-of-Spain TRINIDAD GUARDIAN in English 8 Dec 83 p 1

[Text] PRIME MINISTER George Chambers returned home yesterday evening to a warm welcome from party supporters and gave an impromptu political address following a Press conference held at the Piarco International Airport's V.I.P. (Very Important Persons) room.

In his brief address to about 200 of the party faithful gathered outside the airport last night, Prime Minister Chambers remarked that from the reception he has received he could very well call a snap general election like Jamaican Prime Minister Edward Seaga, hinting that with his present popularity he could sweep the polls.

On his arrival at the airport at 5.40 p.m., Prime Minister Chambers and his delegation of several Cabinet Ministers and senior government officials were greeted by the majority of Cabinet Ministers who had remained in the country and were serenaded with steelband music from the ISCOTT Casablanca Steel Orchestra.

Musicians from the Exodus Steel Orchestra also heralded the Prime Minister before he addressed party supporters.

At the Press conference, held before his political address, Prime Minister Chambers gave the following answers to questions from the media:

--On the discussions on Grenada at the New Delhi conference, this country avoided recrimination and looked towards reconstruction;

--Grenada is a Sovereign State at present under an interim system of government and as such this country cannot participate in a reconstruction process unless requested;

--In the past seven to eight years this country has not been a borrower from the international financial agencies; rather it was a net lender but this position would have to change;

--As regards to the marketing of local steel in the United States market through the Caribbean Basin Initiative, the latter is not operating above the U.S. law and there are still duty threats and legal hurdles to overcome;

## Team for Nigeria

--After discussion with the Nigerian President on the possibility of that African country supplying oil to local refineries, a team will be sent to Nigeria for further discussions;

--As regards the devaluation of the Jamaican dollar, this country does not necessarily have to react to this move but could make decisions in its own interest;

--In discussions with the Secretary General of the United Nations, Javier Perez de Cuellar, the Prime Minister sought the former's views on Grenada and Central America rather than vice versa;

--Several discussions were held with British Prime Minister Margaret Thatcher which he would rather not disclose except that the two countries were seeking an equalisation of trade;

--There was a great deal of understanding from nationals living in New York about the position taken by the Trinidad and Tobago Government on the Grenada issue;

One of the points the Prime Minister made was that contrary to reports this country was never invited to intervene in Grenada in its crisis.

He declined to answer when the 1984 budget will be presented. He said relations with other Caricom member states are less "knotty" than they were before the New Delhi conference.

Mr. Chambers said he met with all the Caribbean Heads of Government who were present at the conference held in New Delhi, India.

He said he was sure that acting Prime Minister Kamaluddin Mohammed and his colleagues had done a good job of running the country in his absence.

Minister of Labour, Social Security and Co-operatives Mr. Errol Mahabir, also addressed the Press stating, that Prime Minister Chambers was held in high regard in New Delhi, Miami and New York.

According to Mr. Mahabir, when discussions in Goa, India, could not reach consensus, Prime Minister Chambers put forward a resolution of reconstruction that was accepted.

Mr. Mahabir also told the Press that Prime Minister Chambers chose to remain silent when several Caribbean leaders made severe attacks on this country's position on Grenada.

CSO: 3298/360

## HUDSON-PHILLIPS SCORES GOVERNMENT 'CORRUPTION, INEFFICIENCY'

Port-of-Spain TRINIDAD GUARDIAN in English 12 Dec 83 pp 1, 7

[Text]

**ECONOMIC mismanagement, corruption and inefficiency is a threat to the survival of democracy because it diverts resources which should be used to narrow the gap between the haves and the have-nots.**

Political Leader of the Organisation for National Reconstruction (ONR), Mr. Karl Hudson-Phillips, underlined this point in an address to the Trinidad and Tobago Jaycees at an awards function Saturday night.

Mr. Hudson-Phillips told his Holiday Inn audience:

"A lack of frankness and openness by government ministers is a threat to the survival of democracy because it breeds suspicion and a lack of respect for the duly constituted authority.

"Interference by the Government, direct or indirect, in the affairs or judgments of the judiciary is a stab in the very heart of democracy because it undermines the one institution that stands between executive action and the liberty of the subject."

Speaking on "The Survival of Democracy in the Free World," Mr. Hudson-Phillips, S.C., in narrowing his theme to the local situation, asked the following of the Jaycees and their guests:

- Do we have an electoral system which ensures the maximum participation by the total eligible voter population?

- Do we have an information system which gives the population the unvarnished truth about all matters, so that the population can come to an informed judgment on all issues?

- Do we have a government that believes in the separation of powers and therefore does not seek to interfere with or influence the administration and the judiciary?

- Do we have an economic system which is organised to encourage ini-

tiative, hard work, inventiveness and discipline in all sections to the population regardless of political affiliation? and;

- Do we have intelligent and responsive leadership imbued by the highest ideals of a democratic form of government and demonstrating strong moral and ethical standards?

"I leave those questions with you so that you can measure for yourselves what course we are on, and whether that course will result in the survival of democracy in our own world if it is free.

## CONVENIENCE

"I pose those questions so that in your everyday lives you may consider our situation in Trinidad and Tobago and that you may be able to identify all threats to the survival of democracy in our fair land," he said.

Touching on the Grenada political crisis, Mr. Hudson-Phillips said the question of principle was much mooted in this country in the recent past.

He elaborated:

"While admittedly there was a principle involved in the question of intervention or non-intervention in Grena-

da, there was also a principle involved in the (Caroni) Racing Complex issue, the Lockheed L 1011, the glass contract for the Financial Complex, the denial of funds to county councils not controlled by the government, and to be personal, the question of the undated letter of resignation.

"Governments under a democracy cannot take so called principled positions as a matter of convenience, or as excuses for their particular lack of action or timidity on specific issues.

"This strong moral vein must be always present and demonstrating to the population the proper ethical standards which the democracy requires."

CSO: 3298/360

## ONR OFFERS ELECTORAL REFORM PROPOSALS TO COMMISSION

Port-of-Spain TRINIDAD GUARDIAN in English 8 Dec 83 p 3

[Text]

THE ORGANISATION for National Reconstruction (ONR) has submitted a number of recommendations on electoral reform to the Elections and Boundaries Commission.

It has recommended that the regularising of the voters' list must be divided into two phases — correction of the existing list, and definition of procedures to main the accuracy of the list.

As a pre-requisite, however, it suggested that the existing list must be computerised and adequate systems developed for updating it.

In correcting the existing voters' list the ONR thinks it essential for the Commission to carry out a house-to-house survey. The existing list it said, should be used as a base and the exercise ought to be done by polling divisions. "Every home in every street must be interviewed and proper control must be set up to ensure that none is left out," the ONR told the Commission, which is headed by former Chief Justice, Sir Isaac Hyatali.

**COLLABORATION**

To facilitate maintenance of the computerised list, the party called for voter registration taking place from the age of 15; that there be

automatic transfer of the person registered to the valid status of "voter" on their attaining the voting age of 18, and that change of a voter's address problem can be remedied by the Commission collaborating with the Post Office.

The party also recommends collaboration between the Commission, the Registrar of Deaths and other agencies like the Immigration Division in respect of the deletion of names from the list.

The ONR, in its memorandum, also recommended that the time prescribed to conduct an electoral registration should relate to a specified time schedule in order to limit the period between the Proclamation for elections, publication of the electoral list, and the holding of an election.

The party also told the Commission that while it did not wish to imply any bias on the part of the Commission, the view was held in many quarters that the Commission, as an instrument of Government, was by its very nature bound to be biased in favour of the present or any future Government.

"In this regard," the party said, "the ONR urges that the Commission structures its operation in such a manner that justice not only is done but also may see to be done."

CSO: 3298/360

OPPOSITION CHIEF PANDAY EYES ALTERNATIVE FOR TROUBLED SUGAR

Poor-Crop Prediction

Port-of-Spain TRINIDAD GUARDIAN in English 7 Dec 83 p 1

[Text] OPPOSITION Leader Basdeo Panday has predicted a "very poor" 1984 sugar crop in Trinidad.

Mr Panday, President General of All Trinidad, Sugar and General Workers Trade Union, said that the crop would be so poor that Caroni would not be able to produce "even 60,000 tons of sugar."

He said the company did not have sufficient canes in the fields and with the drastic drop in farmers' production, the 1984 sugar crop was definitely going to be "disastrous".

With regard to company's canes, Mr Panday said that lack of maintenance of the fields would be mainly responsible for the drop in production.

"Instead of maintaining the fields, the company was retrenching workers," Mr Panday stated yesterday. The 1984 crop is expected to get underway on January 3. Only two factories will be in operation--Brecht Castle and Ste Madeleine.

Call for Alternatives

Port-of-Spain TRINIDAD GUARDIAN in English 13 Dec 83 p 16

[Text] OPPOSITION Leader, Rep. Basdeo Panday, (Couva North) wants to know the alternative or alternatives to the recommendation to phase out the Trinidad and Tobago sugar industry.

Mr. Panday, President General of All Trinidad Sugar and General Workers' Trade Union, referring to the recommendation by the World Bank mission that a decision should be taken immediately on the "phase-out" of the sugar industry called on Government to state what it would do with the thousands of people employed in the industry, if Government accepted the recommendation by the World Bank mission.

Mr. Panday said if the recommendation was accepted, it would certainly bring untold hardships on the working class and create more and more unemployment if Government did not find an alternative for the labour force.

"It does appear that the World Bank study was based on the industry as it is. We have always said that the industry, as it is, cannot be viable. That is why we recommended rationalisation", Mr. Panday stated.

He said he was sure that the World Bank mission would have never made such a recommendation with regards to a rationalised industry.

A committee appointed in 1978 under the chairmanship of Professor Spence had recommended rationalisation of the sugar industry.

The World Bank economic mission came to Trinidad in May 1982 and made its final report in June this year.

CSO: 3298/357



UNION FIGHTS STEEL COMPANY; ANOTHER SEES TROUBLE in 1984

Call for Government Intervention

Port-of-Spain EXPRESS in English 8 Dec 83 p 3

[Article by Davan Maharaj]

[Text]

**THE STEELWORKERS Association of Trinidad and Tobago (SWATT) yesterday called on the Ministry of Labour to intervene in a situation in which workers of Central Trinidad Steel (CENTRIN) were being "interrogated" individually following their decision to join SWATT.**

SWATT made the statement as the 110 million plant stalled yesterday following the industrial dispute. Centrin is owned by the Dansteel Group of Companies headed by south businessman Jack Ramoutarsingh. Most of the workers in the Dansteel Group are represented by an inhouse union, the Hardware and Industrial Wokers Union.

However, yesterday SWATT secretary George Camps told the EXPRESS San Fernando Desk that his union had secured 66 of its 81 Centrin workers in its membership. Camps said SWATT had officially applied for recognition to the Registration, Recognition and Certification Board (RRCB) and had sent in subsequent revocation forms to the company on the behalf of Centrin workers. matter seriously and SWATT intended to take the matter to the civil court if the company's action continued.

Camps charged that yesterday the two Centrin managers were interviewing interrogating workers individually adding that they were not allowed to go to the plant. "They are being told that they must revoke their membership from SWATT or else they will lose their jobs," he said.

The union, Camps said, was treating the

Contacted yesterday, a Dansteel spokesman said the company could not make a statement on the issue "since the facts are now unfolding." Officials at the Centrin plant were unavailable for comment.

SWATT is the recognised body for hourly rated workers at the Iron and Steel Company of Trinidad and Tobago which is located next to Centrin the Point Lisas estate.

Port-of-Spain TRINIDAD GUARDIAN in English 20 Dec 83 p 16

[Text]

**SAN FERNANDO:**

**CONTRACTORS** and General Workers Trade Union would definitely have an uphill task next year in attempting to preserve the jobs of its members.

That was stated on Saturday night by President General Owen Hinds at the union's annual Christmas party held at union headquarters, Rushworth Street, San Fernando.

Mr. Hinds said that while the union made gains in 1983, there were times when it had to struggle very hard to preserve the jobs of workers. He saw a similar situation in 1984, more so because of the prevailing economic situation in the country.

Mr. Hinds said that employers must realise that they should share their profits with the workers because each needed the other.

"Employers must also understand and be honest with themselves and note that although there might be a slowdown in business, that should not be an excuse to retrench workers immediately" he stated.

**FOREIGN ORDERS**

The union leader warned that "we are not going to stand idly by and allow employers to continue to put workers on the breadline."

He said the union completed certain wage negotiations over the past year and 1984 would see at last ten new contracts being negotiated.

On the question of generating more employment, Mr. Hinds called on government to explore the possibility of expanding the asphalt industry. Government should turn to using more and more local asphalt for road building purposes, in addition to negotiating foreign orders, he added.

On behalf of the union's executive and general council, Mr. Hinds extended Christmas greetings to all members and their families and hoped that the New Year would see the union winning more and more benefits for the workers it represents.

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## PUNISHMENT FOR SOLDIERS GUILTY OF 'TERRORIZING' CRITICIZED

Port-of-Spain SUNDAY GUARDIAN in English 18 Dec 83 p 7

[Article by Michael Baptiste]

[Text]

ONE of the most absurd reports of last week concerned the sentencing of a number of soldiers of the Regiment to short periods of detention for what can only be described as an outrageous attack on unarmed civilians in St. James two years ago.

If ever there was a case where justice was neither done nor seen to be done, this was it, and the authorities responsible should realise that they may one day have to pay for mistakes like this one.

A court martial found that three soldiers were guilty as charged. And what was the charge? That these men planned and carried out a pre-meditated act of terrorism on unarmed civilians in a club. They arrived in a group and beat the hell out of those in the club at the time, causing serious injury to many and considerable damage to private property.

## CHARGES PROVEN

Having found the charges proven, the only course of action was immediate dismissal from the Regiment. The Regiment is there to protect and defend the people, not attack them, and these bullies should have been severely dealt with, not just given short periods of detention.

What indeed are a few days behind bars to pay for the licence of marching on a group of civilians? This sort of response from the authorities sets a dangerous precedent. Any soldier or group of soldiers with a grouse or wishing to even some score, real or imagined, may will feel that since the authorities are so soft, they can take the law into their own hands. The only risk is a few days detention if found guilty.

Another absurdity of the situation is the statement by an officer

who spoke on behalf of one of the privates charged. The officer told the court that he would not mind having the private under him at any time. What utter rubbish. What confidence can you as an officer have in a subordinate who at times may be entrusted with weapons and shows so openly that he can take the law into his own hands and participate in attacks on the public?

We must remember the circumstances. This was not a situation where soldiers got into a fight and people on both sides were beaten. This was a planned invasion of a public club, action similar, one might say, military intervention about which the Government of this country has stood on principle over Grenada.

Charity begins at home. If you consider it a matter of principle not to invade Grenada, how much more principle is involved when soldiers of your own Regiment invade a club, beat up unarmed civilians and damage property. Why the lenient treatment? How would these bullies have performed in the face of real fire in Grenada one wonders.

Another spectacle was that a major asking the court martial "not to go overboard by trying to appease the appetite of members of the public." What does he mean? The public MUST be appeased, must be satisfied that justice is done, and in this particular instance they are far from satisfied at the outcome. Men, such as those who carried out that act of terrorism in the St. James club, have absolutely no place in the Regiment.

But the sentences are manifestations not only of the lack of strength on the part of the authorities, but also of the absurdity of keeping men waiting for two years before the charges are heard. Justice delayed is justice denied, applies as much to those charged as to the victims of their acts.